

SENATE

FRIDAY, JANUARY 14, 1944

(Legislative day of Tuesday, January 11, 1944)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O Thou God of love and hope, through all the length of changing years Thy goodness faileth never; grant us of Thy mercy a valiant heart for any duty which this day may be entrusted to our fidelity. In times of strain and stress lay Thy cooling hand upon our fevered pulses. May we tread the climbing path with head uplifted and with smiling face. In a confused day save us from any panic of spirit; may we draw our inner strength from deep wells. May the highest truth illumine the nearest duty and our holiest aspirations transfigure the humblest task. May we be brave enough to bear the truth and to follow its gleam wherever it may lead us, so that by Thy grace we may not be found wanting in this hour of crisis.

Hasten the day when the black remnants of savagery which now blight our social order shall haunt the memory of a new generation but as an evil dream of a night that is past. By the fierce fires of global strife may barriers to brotherhood be burned away and mankind whose inmost needs are one find at last the refuge of the one fold and the one Shepherd. Amen.

ATTENDANCE OF SENATORS

C. WAYLAND BROOKS, a Senator from the State of Illinois; JOHN A. DANAHY, a Senator from the State of Connecticut; and EDWARD H. MOORE, a Senator from the State of Oklahoma, appeared in their seats today.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, January 12, 1944, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

CALL OF THE ROLL

Mr. THOMAS of Utah. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Bridges	Caraway
Andrews	Brooks	Chavez
Austin	Buck	Clark, Mo.
Bailey	Burton	Connally
Ball	Burfield	Danahy
Barkley	Butler	Davis
Bone	Byrd	Downey
Brewster	Capper	Eastland

Ferguson	McKellar	Shipstead
George	Maloney	Stewart
Gerry	Maybank	Thomas, Idaho
Gillette	Mead	Thomas, Okla.
Green	Millikin	Thomas, Utah
Gurney	Moore	Truman
Hayden	Murdock	Tunnell
Hill	Murray	Tydings
Holman	O'Daniel	Vandenberg
Johnson, Colo.	O'Mahoney	Van Nuys
Kilgore	Overton	Walsh, Mass.
La Follette	Radcliffe	Walsh, N. J.
Langer	Reed	Wheeler
Lodge	Revercomb	White
Lucas	Reynolds	Wiley
McClellan	Robertson	Willis
McFarland	Russell	Wilson

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] is absent from the Senate because of illness.

The Senator from Washington [Mr. WALLGREN] is absent on official business for the Special Committee to Investigate the National Defense Program.

The Senator from Alabama [Mr. BANKHEAD], the Senator from Mississippi [Mr. BILBO], the Senator from Kentucky [Mr. CHANDLER], the Senator from Idaho [Mr. CLARK], the Senator from Louisiana [Mr. ELLENDER], the Senator from Nevada [Mr. McCARRAN], the Senator from South Carolina [Mr. SMITH], and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from New Mexico [Mr. HATCH] and the Senator from Nevada [Mr. SCRUGHAM] are detained from the Senate because of slight colds.

The Senator from Pennsylvania [Mr. GUFFEY] is absent on public business.

The Senator from Florida [Mr. PEPPER] is detained in Florida on public business.

Mr. WHITE. The Senator from Oregon [Mr. McNARY] is absent because of illness.

The Senator from New Jersey [Mr. HAWKES], the Senator from North Dakota [Mr. NYE], the Senator from Ohio [Mr. TAFT], and the Senator from Nebraska [Mr. WHERRY] are necessarily absent.

The Senator from New Hampshire [Mr. TOBEY] is necessarily absent on public matters.

The VICE PRESIDENT. Seventy-five Senators have answered to their names. A quorum is present.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

PURCHASE OF VESSELS BY THE MARITIME COMMISSION FROM THE SOUTHERN PACIFIC CO. (MORGAN LINE)

A letter from the Comptroller General of the United States, transmitting a report of an investigation by representatives of his office of contracts and other records of the United States Maritime Commission, relating to the purchase by the Commission of 10 vessels from the Southern Pacific Co. under contract dated June 10, 1941, for \$4,733,952, etc. (with an accompanying report); to the Committee on Commerce.

EXPENDITURES OF COURT OF CUSTOMS AND PATENT APPEALS

A letter from the Director, Administrative Office of the United States Courts, transmitting, pursuant to law, a statement of expenditures of appropriations for the United States Court of Customs and Patent Appeals

for the fiscal year ended June 30, 1943 (with an accompanying statement); to the Committee on the Judiciary.

ESTIMATES OF PERSONNEL REQUIREMENTS OF A BUREAU AND COMMISSION

Letters, transmitting, pursuant to law, estimates of personnel requirements for the quarter ending March 31, 1944, by the Bureau of the Budget and the Interstate Commerce Commission (with accompanying papers); to the Committee on Civil Service.

REFERENCE OF THE PRESIDENT'S REPORT ON LEND-LEASE OPERATIONS

Mr. CONNALLY. Mr. President, I ask to have referred to the Committee on Foreign Relations the thirteenth report of the President on lend-lease operations for the period ended November 30, 1943, which was filed, pursuant to law, with the Secretary of the Senate during the last adjournment of the Congress.

The VICE PRESIDENT. Without objection, it is so ordered.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A letter in the nature of a memorial from Iona Gutshall (Mr. L. E. Gutshall), of Shippenburg, Pa., remonstrating against the enactment of Senate bill 1161, the general welfare bill granting old-age assistance; to the Committee on Finance.

By Mr. GREEN:

A joint resolution of the General Assembly of Rhode Island; to the Committee on Finance:

"STATE OF RHODE ISLAND AND

"PROVIDENCE PLANTATIONS,

"IN GENERAL ASSEMBLY,

"January Session, A. D. 1944.

"Joint resolution requesting the Senators and Representatives from Rhode Island in the Congress of the United States to use their earnest efforts to have enacted into law a satisfactory measure to authorize the erection of a permanent United States Veterans' Hospital in the State of Rhode Island

"Whereas the State of Rhode Island and Providence Plantations is one of the most heavily impacted military areas in the United States with the Naval War College, naval training station, naval torpedo station, naval air station, naval construction training center and advance-base depot, the naval motor torpedo boat squadrons training center, naval fuel and net depot, the naval antiaircraft training center, the magnetic survey ranges, the Army airfield at Hills Grove, and many training centers and and forts of our harbor defenses and coast artillery; and

"Whereas every veteran organization in Rhode Island, the American Legion, the Veterans of Foreign Wars of the United States, the Disabled American Veterans of the World War, the Jewish War Veterans of the United States, and other similar organizations, the parents of men and women in service and the citizens of the State are highly in accord with the purposes of legislation which will provide sufficient hospital, domiciliary, and outpatient dispensary facilities in Rhode Island to care for the increasing number of disabled veterans of all wars and the casualties of the present conflict; Now, therefore, be it

"Resolved, That the Senators and Representatives from Rhode Island in the Congress of the United States be and they hereby are requested to use every effort to have enacted into a statute a satisfactory measure authorizing the erection of a permanent United

States veterans' hospital in the State of Rhode Island; and be it further

Resolved, That duly certified copies of this resolution be transmitted by the secretary of state to the Senators and Representatives from Rhode Island in the Congress of the United States."

RESOLUTION OF PROVIDENCE (R. I.) CITY COUNCIL—VETERANS' HOSPITAL IN RHODE ISLAND

Mr. GREEN presented a resolution adopted by the City Council of Providence, R. I., which was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

Whereas there is apparent need for a veterans' hospital in the State of Rhode Island, which is one of the very few remaining States without the benefit of just such a hospital; and

Whereas the nearest hospitals of this type are located some distance from the city of Providence, and it is therefore inconvenient for residents of this city to visit patients in such hospitals; and

Whereas interest regarding a veterans' hospital is increasing daily because of the influx of service-connected cases; and

Whereas the State of Rhode Island has the necessary physical facilities for an adequate veterans' hospital: Now, therefore, be it

Resolved, That the Members of Congress representing the State of Rhode Island be and they are hereby requested to sponsor and promote the necessary legislation to the end that a veterans' hospital be erected within the State of Rhode Island; and be it further

Resolved, That a copy of this resolution expressing the opinion of this body be forwarded to the following: Gov. J. Howard McGrath, United States Senator Theodore Francis Green, United States Senator Peter G. Gerry, Congressman John E. Fogarty, Congressman Aime J. Forand.

RESOLUTION BY REPRESENTATIVES OF VERMONT FARM ORGANIZATIONS

Mr. AIKEN. I present a resolution adopted at a meeting held at Montpelier, Vt., on Thursday, December 23, 1943, by the representatives of various farm organizations of Vermont, and ask that it be printed in the RECORD and appropriately referred.

There being no objection, the resolution was referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

The Vermont farmer is endeavoring to do his part in the prosecution of the war under the serious handicap of labor and machinery shortages, poor quality roughage and concentrate feeds. He is most desirous to do his part to prevent uncontrolled inflation, as he realizes that the aftermath of serious inflation is serious depression.

In order to produce the necessary food during the remainder of the war and the reconstruction period following and to prevent more undesirable centralization of control, the Vermont farmer believes the only practical way to allow the necessary food to be produced is by increasing the price of his product to a level in the market place that will assure him cost of production plus a reasonable profit.

He does not want subsidies, as he questions whether they will control inflation, and he is very fearful of the ultimate results if subsidies are allowed to become a part of the price of his product.

Although he is opposed to consumer subsidies in general, he believes that the class of people whose economic condition has become

worse off because of the war should have the means of bringing their standards up to the level of other similar classes.

A copy of this resolution to be sent to the Vermont congressional delegation and to the Vermont Press.

R. E. Burnett, president, Windsor County Exchange; Edson E. Gifford, Vermont Farm Bureau; L. E. Grigg, director, Northern Farms Cooperative; O. L. Martin, Vermont State Grange; L. H. Marvin, Vermont State Farm Bureau; L. G. Morrill, director, Northern Farms Cooperative; Arthur Packard, president, Vermont State Farm Bureau; W. F. Sinclair, Vermont State Grange; Keith Wallace, Vermont State Farm Bureau and Mount Mansfield Cooperative Creamery.

RESOLUTIONS OF THE COURT OF COMMON COUNCIL, HARTFORD, CONN.

Mr. DANAHER presented a resolution adopted by the Court of Common Council of Hartford, Conn., which was referred to the Committee on Immigration and ordered to be printed in the RECORD, as follows:

OFFICE OF THE TOWN AND CITY CLERK,
Hartford, Conn., January 11, 1944.

This certifies that at a meeting of the court of common council held January 10, 1944, the following resolutions were passed, and were approved by his honor, the mayor, January 11, 1944:

"Whereas there are several bills pending in the Congress of the United States, relating to the lifting of certain educational requirements and other restrictions as a basis for admission to citizenship, those aliens who have a son or daughter in the armed forces of our country and also aliens who have resided in the United States for a prescribed number of years; and

"Whereas the passage of these measures would be in recognition of the patriotism of those aliens who have contributed their children to the service of our country and of those aliens who have manifested long and undying devotion to our country: Therefore be it

Resolved by the Court of Common Council of the City of Hartford, That it go on record as being in favor of these measures; and be it further

Resolved, That copies of this resolution be sent to Connecticut Senators and Congressmen."

Attest: JOHN A. GLEASON,
City Clerk.

Mr. DANAHER also presented a resolution adopted by the Court of Common Council of Hartford, Conn., which was referred to the Committee on Post Offices and Post Roads and ordered to be printed in the RECORD, as follows:

OFFICE OF THE TOWN AND CITY CLERK,
Hartford, Conn., January 11, 1944.

This certifies that at a meeting of the court of common council held January 10, 1944, the following resolutions were passed, and were approved by his honor, the mayor, January 11, 1944:

Resolved, That this court of common council endorse the Lynch-Dickstein bill now pending in Congress which proposes to ban from the mails discriminatory or derogatory literature aimed at any race, creed, or color; and be it further

Resolved, That copies of this resolution be sent to Senator DANAHER, Senator MALONEY, and Congressman MILLER."

Attest: JOHN A. GLEASON,
City Clerk.

PROTEIN FEED SHORTAGE IN WICHITA COUNTY, KANS.

Mr. CAPPER. Mr. President, I desire to call the attention of the Senate to a memorial just received by me from the Wichita County (Kans.) Farm Bureau, urging shipment of sorely needed protein feed to that county. The memorial is signed G. O. Lower, of Leoti, Kans., and 14 other farmers and stockmen of that community.

The memorial points out that there are 10,000 cattle and 3,000 sheep on 325 farms in Wichita County that must be fed. If proteins are not available, these animals must be marketed largely before really cold weather sets in for the winter. This without regard to whether the animals are ready for market or not.

Mr. President, the Kansas delegation in Congress, and also delegations from other States similarly affected, have been working to get these protein feeds distributed where they are most needed. Since the middle of December we have secured, through the Commodity Credit Corporation, the allocation of some 257 cars of protein feeds for Kansas, to be delivered before February 1. Getting the cars delivered seems to be another matter, but I am informed that some cars are on the way. I am hopeful that by this time at least 1 of the cars destined for Wichita County has arrived. The shortage of proteins is especially serious throughout the Great Plains area, where many cattle and sheep will perish if proteins do not arrive in time. I ask unanimous consent to have printed in the RECORD at this point and appropriately referred the memorial which I have mentioned.

There being no objection, the memorial was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

WICHITA COUNTY FARM BUREAU,
Leoti, Kans.

We, the undersigned members of the Wichita County Farm Bureau, protest the protein shortage situation in Wichita County.

We have approximately 10,000 cattle and 3,000 sheep on 325 farms to feed. We do not have wheat pasture, which frequently is the source for protein for our livestock.

Unless protein supplements are made available, it is going to be necessary to move our cattle and sheep to market as the winter storms come. I think an adjustment should be made in the price ceilings on these supplements to make for equitable distribution from the processing plants to the farmers and stockmen.

G. O. Lower, Leoti, Kans.; B. C. Kough, Scott City, Kans.; L. G. Henry, Leoti, Kans.; Chas. F. Durham, Selkirk, Kans.; Geo. M. Woodbury, Arthur R. McCowan, Alvin T. Warington, Otto Krenzler, Leoti, Kans.; Richard Hobson, Marienthal, Kans.; Lee Oldham, Ernest Krenzler, E. C. Sowers, Dan Brack, H. W. Kuhlmann, H. A. Carothers, Leoti, Kans.

FOOD SUBSIDIES

Mr. CAPPER. While I have the floor, Mr. President, I also ask unanimous consent to have printed in the RECORD and appropriately referred a letter from Mr.

and Mrs. Axel E. Pearson, former Kansans now living in Washington, D. C., in opposition to consumer-food subsidies.

There being no objection, the letter was referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., January 10, 1944.
The Honorable ARTHUR CAPPER,
Senator from Kansas,

Washington, D. C.
DEAR SIR: We are Kansas voters living in Washington, D. C.

We wish to convey our appreciation of what you have done for the people of Kansas and to express our opposition to the continuation of food subsidies, price ceilings, rationing, Office of Price Administration and the multiple income-tax system.

We think the parity prices for wheat are out of date.

Believe us,

Yours very truly,

EUGENIA DE WALD PEARSON,
AXEL E. PEARSON.
(Mr. and Mrs. Axel E. Pearson.)

LACK OF RAILROAD CARS IN THE NORTHWEST FOR WHEAT SHIPMENTS

Mr. LANGER. Mr. President, a few days ago I told the Senate about the desperate situation of the farmers in the Northwest because of their inability to ship wheat. I ask unanimous consent that there be printed in the RECORD several telegrams I have received, yesterday and today, dealing with that situation, in view of the fact that 200 empty railroad cars are now being sent to Canada in which to bring in Canadian wheat.

The VICE PRESIDENT. Is there objection to the request of the Senator from North Dakota?

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

ARTHUR, N. DAK., January 13, 1944.
Hon. WILLIAM LANGER,
Senator:

Our elevator is blocked. Getting empties is like butting our heads against a stone wall. Sending 200 empties per day to Canada will aggravate the situation.

FARMERS ELEVATOR CO.

SCRANTON, N. DAK., January 13, 1944.
Senator WILLIAM LANGER,
Senate Office Building:

Protest order sending grain cars to Canada. Elevators full. Car situation critical.

SCRANTON EQUITY EXCHANGE,
SAM ELLENBAUM, Manager.

REGENT, N. DAK., January 13, 1944.
Hon. WILLIAM LANGER,
Washington, D. C.:

Protest order of O. D. T. turning cars over to Canada. Elevators filled to full capacity with wheat. Ceiling prices on wheat. Elevators paying interest and insurance. No cars here past 3 days.

REGENT COOPERATIVE EQUITY EXCHANGE,
WESTERN LUMBER & GRAIN CO.
OSBORNE McMILLAN ELEVATOR CO.

OSNABROCK, N. DAK., January 13, 1944.
Senator WILLIAM LANGER,
Senate Office Building:

Do all possible head off ruling requiring railways furnish 200 cars per day to Canada. We are blocked with grain. Farmers have thousands of bushels unable to move on account of our being unable to get sufficient cars.

RASMUSSEN GRAIN CO.

BROCKET, N. DAK., January 14, 1944.
Hon. WILLIAM LANGER,
United States Senate,
Washington, D. C.:

We vigorously protest O. D. T. order to deliver 200 cars daily to Canada for grain loading. Our elevators practically blocked with cash grain ready for shipment due to car shortage.

BROCKET GRAIN CO.

WINDSOR, N. DAK., January 13, 1944.
Senator WILLIAM LANGER,
Washington, D. C.:

We are vigorously opposed to recent order of O. D. T. allotting 200 grain cars to Canada for grain loading per day when our elevators are blocked because we cannot get empty grain boxes.

WINDSOR FARMERS COOPERATIVE
ELEVATOR ASSOCIATION.

GLENULLEN, N. DAK., January 14, 1944.
Senator LANGER:

We are informed that the O. D. T. at Washington ordered the railroad to deliver 200 empty boxcars a day to Canada for grain loadings. It is our opinion that our North Dakota grain should be moved first. We are 90 percent of the time blocked in our elevators. We have orders with the railway company for 80 empty cars and we can get only from 3 to 5 cars a week. See what you can do to get empties diverted to our section of the country.

GLENULLEN ROLLER MILLS.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. AUSTIN, from the Committee on the Judiciary:

H. R. 3408. A bill to amend chapter 7 of the Criminal Code; with amendments (Rept. No. 629).

By Mr. GILLETTE, from the Committee on Agriculture and Forestry:

S. Res. 232. Resolution to increase the limit of expenditures for the investigation relative to the production of industrial alcohol, synthetic alcohol, and synthetic rubber; without amendment, and, under the rule, the resolution was referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

ADDITIONAL COPIES OF SENATE REPORT
NO. 627 OF THE REVENUE ACT (H. R. 3687)

Mr. HAYDEN. Mr. President, as chairman of the Committee on Printing, I report favorably from that committee, without amendment, Senate Concurrent Resolution 30, and ask unanimous consent for its present consideration.

There being no objection, the concurrent resolution (S. Con. Res. 30, submitted by Mr. HAYDEN on January 12, 1944) was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed 8,500 additional copies of Senate Report No. 627, current Congress, on the bill (H. R. 3687) entitled "Revenue Act of 1943," of which 5,000 copies shall be for the use of the House document room, 2,000 copies for the Senate document room, 1,000 copies for the Senate Committee on Finance, and 500 copies for the Committee on Ways and Means of the House of Representatives.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HOLMAN:
S. 1643. A bill granting an increase in pension to Rosa Bell Eckenberger; to the Committee of Pensions.

By Mr. LA FOLLETTE:
S. 1644. A bill for the relief of Annie L. Nesbitt and others; to the Committee on Inter-oceanic Canals.

By Mr. WHEELER:
S. 1645. A bill relating to the administration of the Glacier National Park Fish Hatchery at Creston, Mont., and for other purposes; to the Committee on Commerce.

By Mr. LANGER:
S. 1646. A bill to provide for continuing the pay of members of the armed forces for 12 months following the date of discharge from the service, and for other purposes; to the Committee on Military Affairs.

TRAINING OF NURSES—CHANGE OF REFERENCE

Mr. WALSH of Massachusetts. Mr. President, I ask unanimous consent that the Naval Affairs Committee be discharged from further consideration of Senate bill 1633, and that the bill be referred to the Committee on Education and Labor. The subject matter of the bill is somewhat foreign to the activities of the Naval Affairs Committee and is within the scope of the authority of the Committee on Education and Labor.

The reason why the bill was referred originally to the Naval Affairs Committee was because it had been introduced at the request of the Navy through me and referred to the Committee on Naval Affairs.

The VICE PRESIDENT. Is there objection to the request of the Senator from Massachusetts?

Mr. WHITE. Mr. President, reserving the right to object, is it the Senator's opinion that the Committee on Education and Labor is the proper committee to which the bill should be referred?

Mr. WALSH of Massachusetts. Yes. I will read the title of the bill.

A bill to amend the act entitled "An act to provide for the training of nurses for the armed forces, governmental and civilian hospitals, health agencies, and war industries, through grants to institutions providing such training, and for other purposes," approved June 15, 1943, so as to provide for the full participation of institutions of the United States in the program for the training of nurses, and for other purposes.

The bill would be in the nature of an amendment to the act. I believe the Committee on Education and Labor recently dealt with the subject matter.

The VICE PRESIDENT. Without objection, the Committee on Naval Affairs will be discharged from the further consideration of Senate bill 1633, and it will be referred to the Committee on Education and Labor.

SUPPLY AND DISTRIBUTION OF FARM LABOR—AMENDMENT

Mr. HAYDEN submitted an amendment proposing to appropriate \$1,359,200 to enable the War Manpower Commission to provide, in accordance with regulations prescribed by the Chairman of the Commission, for the temporary migration of workers from foreign countries, and so forth, intended to be proposed by him to the joint resolution (H. J. Res. 208) making an appropriation

to assist in providing a supply and distribution of farm labor for the calendar year 1944, which was referred to the Committee on Appropriations, and ordered to be printed.

AMENDMENTS TO THE REVENUE ACT

Mr. ANDREWS, Mr. BALL, Mr. CLARK of Missouri, Mr. DOWNEY, Mr. GILLETTE, Mr. HAYDEN, and Mr. MAYBANK each submitted an amendment intended to be proposed by them, respectively, to the bill (H. R. 3687) to provide revenue, and for other purposes, which were severally ordered to lie on the table and to be printed.

Mr. TRUMAN. Mr. President, I submit an amendment on behalf of the senior Senator from New Mexico [Mr. HATCH] to House bill 3687, the tax bill, which I ask to have printed and lie on the table.

The VICE PRESIDENT. Without objection, the amendment intended to be proposed by the Senator from New Mexico [Mr. HATCH] will be received, printed, and lie on the table.

REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES—FEDERAL CIVILIAN EMPLOYMENT, NOVEMBER 1943

Mr. BYRD. Mr. President, I wish to present a report on the number of civilian employees in the executive branch of the Federal Government for the month of November 1943.

Total number of employees for November 1943, is 2,974,002 which is an increase of 5,069 over the revised figure of 2,968,933 for the month of October 1943. However, this net increase is due to the Post Office Department having perfected their reporting machinery so as to give an actual count of the temporary substitute employees whereas previously only an estimate has been made of these employees; and to 1,039 seasonal workers employed by the Post Office Department to handle the Christmas mail.

There has been a net decrease of 121,461 employees since the month of June 1943 when civilian employment in the executive branch reached the peak figure of 3,095,463.

Since October 1943, 31 departments and agencies have eliminated 23,617 employees while 31 departments and agencies have increased the number of their employees by 28,686 employees.

Greatest increases were made by the following departments and agencies: Navy Department, 7,492; Treasury Department, 1,456; Office of Price Administration, 495; Veterans' Administration, 409; Civil Service Commission, 362; and General Accounting Office, 286.

The War Department again shows a substantial decrease of 14,260 employees. Three thousand six hundred and seven of this reduction are from the employees of the regular services of the War Department while 508 is a reduction in the number of force account employees and 10,145 is a reduction of the number of employees in terminal leave status.

Other departments and agencies showing substantial reductions in the number of their employees were: Department of the Interior, 2,294; Commerce Department, 1,848; Agriculture Department, 1,-

681; Tennessee Valley Authority, 1,138; and the Panama Canal, 482.

Mr. President, I ask unanimous consent to present the report on behalf of the Joint Committee on Reduction of Nonessential Federal Expenditures, on Government personnel for the month of November, and ask that it be printed in the body of the Record.

There being no objection, the report was ordered to be printed in the Record, as follows:

Federal civilian employment, by department and agency, for months of October and November 1943, showing increases and decreases in number of paid employees

Department or agency	October	November	Increase (+) or decrease (-)
Office of the President	578	578	0
State Department	8,288	8,497	+209
Treasury Department	84,396	85,852	+1,456
War Department	1,242,742	1,228,482	-14,260
Justice Department	30,289	30,191	-98
Post Office Department	2,334,274	2,350,982	+16,708
Navy Department	699,365	706,857	+7,492
Interior Department	41,118	38,824	-2,294
Agriculture Department	84,108	82,427	-1,681
Commerce Department	33,295	31,447	-1,848
Labor Department	6,071	5,909	-162
NATIONAL WAR AGENCIES			
Committee on Fair Employment Practice	100	103	+3
Division of Central Administrative Services	4,599	4,641	+42
National War Labor Board	3,308	3,082	-226
Office of Alien Property Custodian	1,041	1,039	-2
Office of Civilian Defense	1,112	1,048	-64
Office of Coordinator of Inter-American Affairs	1,311	1,339	+28
Office of Defense Transportation	5,002	5,045	+43
Office of Economic Stabilization	7	7	0
Office of Scientific Research and Development	1,397	1,112	-285
Office of War Information	4,876	5,008	+132
Office of War Mobilization	12	15	+3
Smaller War Plants Corporation	1,591	1,605	+14
War Production Board	17,232	17,266	+34
War Manpower Commission	25,452	25,129	-323
Selective Service System	23,934	23,768	-166
War Relocation Authority	1,839	1,943	+104
War Shipping Administration	4,163	4,395	+232
Foreign Economic Administration	6,269	6,257	-12
Office of Censorship	11,979	12,165	+186
Office of Price Administration	54,566	55,061	+495
Office of Strategic Services	1,574	1,622	+48
Petroleum Administrator for War	1,446	1,422	-24
INDEPENDENT ESTABLISHMENTS			
American Battle Monuments Commission	1	1	0
Board of Investigation and Research—Transportation	86	79	-7
Civil Aeronautics Board	314	320	+6
Civil Service Commission	6,493	6,855	+362
Employees' Compensation Commission	528	532	+4

INDEPENDENT ESTABLISHMENTS—continued			
Export-Import Bank of Washington	59	60	+1
Federal Communications Commission	2,218	2,200	-18
Federal Deposit Insurance Corporation	1,101	1,088	-13
Federal Power Commission	682	672	-10
Federal Security Agency	31,320	31,189	-131
Federal Trade Commission	465	463	-2
Federal Works Agency	22,252	21,968	-284
General Accounting Office	10,267	10,553	+286
Interstate Commerce Commission	2,158	2,157	-1
Maritime Commission	9,293	9,475	+182
National Advisory Committee for Aeronautics	4,440	4,456	+16
National Archives	343	338	-5
National Capital Housing Authority	274	273	-1
National Capital Park and Planning Commission	19	17	-2
National Gallery of Art	257	261	+4
National Housing Agency	20,532	20,709	+177
National Labor Relations Board	788	759	-29
National Mediation Board	93	86	-7
Panama Canal	33,638	33,150	-482
Railroad Retirement Board	1,560	1,536	-24
Reconstruction Finance Corporation	7,776	7,778	+2
Securities and Exchange Commission	1,251	1,243	-8
Smithsonian Institution	418	421	+3
Tariff Commission	301	303	+2
Tax Court of the United States	121	124	+3
Tennessee Valley Authority	26,235	25,097	-1,138
Veterans' Administration	46,316	46,725	+409
Total	2,968,933	2,974,002	+5,069
Net increase			+5,069

Federal civilian employment, by department and agency, for months of October and November 1943, showing increases and decreases in number of paid employees—Con.

Department or agency	October	November	Increase (+) or decrease (-)
INDEPENDENT ESTABLISHMENTS—continued			
Export-Import Bank of Washington	59	60	+1
Federal Communications Commission	2,218	2,200	-18
Federal Deposit Insurance Corporation	1,101	1,088	-13
Federal Power Commission	682	672	-10
Federal Security Agency	31,320	31,189	-131
Federal Trade Commission	465	463	-2
Federal Works Agency	22,252	21,968	-284
General Accounting Office	10,267	10,553	+286
Interstate Commerce Commission	2,158	2,157	-1
Maritime Commission	9,293	9,475	+182
National Advisory Committee for Aeronautics	4,440	4,456	+16
National Archives	343	338	-5
National Capital Housing Authority	274	273	-1
National Capital Park and Planning Commission	19	17	-2
National Gallery of Art	257	261	+4
National Housing Agency	20,532	20,709	+177
National Labor Relations Board	788	759	-29
National Mediation Board	93	86	-7
Panama Canal	33,638	33,150	-482
Railroad Retirement Board	1,560	1,536	-24
Reconstruction Finance Corporation	7,776	7,778	+2
Securities and Exchange Commission	1,251	1,243	-8
Smithsonian Institution	418	421	+3
Tariff Commission	301	303	+2
Tax Court of the United States	121	124	+3
Tennessee Valley Authority	26,235	25,097	-1,138
Veterans' Administration	46,316	46,725	+409
Total	2,968,933	2,974,002	+5,069
Net increase			+5,069

* Revised.

¹⁰ Does not include project workers.

¹¹ Now includes the American Commission for the Protection and Salvage of Artistic and Historic Monuments in Europe.

NOTE.—Employment figures now reported to the committee include dollar-per-annum employees and without-compensation employees of the consultant-expert type who are allowed per diem in lieu of subsistence.

REPORT ON THE SO-CALLED FATHER DRAFT ACT, PURSUANT TO PUBLIC LAW NO. 197

Mr. REYNOLDS. Mr. President, what I am about to say may be of interest to the Senator from Missouri [Mr. CLARK]. A report was submitted to the Senate Committee on Military Affairs by Lt. Col. Francis V. Keesling, Jr., Selective Service legislative officer, on behalf of Maj. Gen. Lewis B. Hershey. The report was submitted pursuant to section 6 of Public Law 197, being the so-called Wheeler-Bailey-Clark Father Draft Act. An identical report was also submitted to the House Committee on Military Affairs.

The committee has requested Colonel Keesling to appear before it next week to furnish supplemental confidential information and to answer any inquiries the committee may have in connection with the matters set forth in the report, or any inquiries which the Senator from Missouri [Mr. CLARK] may wish to propound.

I ask unanimous consent that the report may be printed in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

The report is as follows:

On December 5, 1943, the President signed S. 763, the Wheeler-Bailey-Clark father draft bill, which is now designated as Public Law 197, Seventy-eighth Congress.

Section 6 of that bill requires that Selective Service make a report to the Senate and House Committees on Military Affairs monthly or at such intervals as the committees may designate from time to time concerning requests for deferment, deferments, exemptions, rejections, discharges, inductions, enlistments, replacement schedules, and other matters with respect to registrants and members of the armed forces. This report is made pursuant to that provision.

Immediately upon being informed that S. 763 had been approved by the President, national headquarters transmitted appropriate instructions to State headquarters and local boards in order to put into effect the provisions of that act.

Local board memorandum 123 was one of those that was issued in revised form. Copy of that memorandum is attached hereto as exhibit A. It requires the reclassification of pre-Pearl Harbor fathers from class III-A into other classifications, such as class III-D for hardship, class III-C for essential farmers, class II-A or II-B for irreplaceable registrants engaged in essential war work or work in support of the war effort, and various subclassifications of class IV, or into class I-A, available for induction. This memorandum provides that local boards shall fill calls by forwarding for induction nonfathers who are in class I-A and only taking fathers if there are not sufficient nonfathers to meet the call. Provision is also made for abolishing the nondeferable distinction among pre-Pearl Harbor fathers in class I-A by providing for the introduction of class I-A pre-Pearl Harbor fathers in order of order number when, as, and if, it is necessary to use any of them to make up the deficiency of nonfathers in filling any call.

State directors were specifically instructed to obtain information from local boards concerning the numbers of nonfathers and numbers of fathers they had available in class I-A and to distribute calls made upon them by national headquarters to the local boards so that nonfathers would be called from local boards all over the State on a State-wide basis before calling fathers. Fathers are called from local boards only if the supply of available nonfathers in class I-A is insufficient to meet the monthly call placed upon the particular State.

In order to carry out the Nation-wide mandate of section 1 of the act, national headquarters obtains inventory information from all of the States setting forth the numbers of nonfathers and fathers that are in class I-A in the respective States. National headquarters uses that information and allocates calls made upon it by the armed forces to the States in proportion to the number of nonfathers that they report so that available nonfathers in class I-A will be taken before taking fathers from any State to meet the particular monthly call. If there are not enough nonfathers reported, additional demand is placed upon States to supply the deficiency from class I-A fathers on an equitable quota basis.

Section 1 of the act also required that occupational deferments granted to registrants working outside the appeal board area in which their own local boards were located be reviewed by the appeal board for the area in which they were working. In order to carry out that requirement, national

headquarters issued Local Board Memorandum 188, copy of which is attached hereto and marked "Exhibit B". Inasmuch as this will increase considerably the administrative work of appeal boards for highly industrialized areas, national headquarters has made arrangements with State headquarters to create additional appeal-board panels and to employ additional personnel where necessary to accomplish the task. Also, in order to carry out the added responsibility and accountability placed upon the Director of Selective Service concerning the employer's employment situation and the employee's employment status, arrangements have been made for supplementing the work of the appeal boards by detailing additional occupational advisers to areas where needed.

In some instances in connection with this new appeal-board procedure, upon investigation it was discovered that it was in the national interest to consolidate some existing appeal-board areas in instances where two or more appeal-board areas were within reasonable distance of the same industrial activity. In the absence of such consolidation, an unnecessary administrative burden would have fallen upon all of the appeal boards concerned, although each of them was near enough to the particular industrial activity to have sufficient knowledge about the employer's employment situation and the employee's employment status.

Section 4 of Public Law 197 provides for the appointment by the President of a five-man medical commission, which is charged with investigating the physical, mental, and moral standards for admission to the armed forces and, also, with investigating the situation with respect to use of limited-service personnel in the armed forces and recommending to the President whether or not additional numbers of limited-service men could be utilized by the armed forces without impairing their effectiveness.

In the event the board recommends and the President approves a lowering of the standards for admission to the armed forces, the Director of Selective Service is charged with reexamining the class IV-F registrants in order to give effect to any such revision. Pursuant to that section, the President has appointed to this commission Rear Admiral Ross T. McIntire, Surgeon General of the Navy; Maj. Gen. Norman T. Kirk, Surgeon General of the Army; Dr. Alan C. Woods, ophthalmologist in chief of Johns Hopkins; Dr. Frank H. Lahey, Chief Surgeon of Lahey clinic, and Dr. Edward A. Strecker, psychiatry professor at the University of Pennsylvania. That board has already held meetings but has not as yet made any recommendations. General Hershey was invited to meet with the commission at one of its sessions, and selective service will furnish to the board detailed information in its possession concerning causes for rejection, the number of registrants rejected, and other pertinent information which it has or may have from time to time that comes within the scope of the commission's jurisdiction.

Some pertinent information with respect to the number of persons rejected for failure to meet standards for admission to the armed forces will be mentioned later in this report.

Section 5 of Public Law 197 provides for preinduction physical examination at the request of registrants whose induction will shortly occur. In order to give effect to that section, local board memorandum 178 was issued, copy of which is attached hereto and marked "Exhibit C." In brief, that memorandum changes the existing procedure so that instead of a registrant being inducted immediately after passing his physical examination at the induction station and thereafter being sent home as an enlisted reservist on inactive duty, for 21 days in the case of the Army and for 7 days in the case

of the Navy, the registrant will be given a preinduction examination, but if he passes it, he is not immediately inducted but is returned home in a civilian status and will not have to report for induction until at least 21 days after his examination, regardless of whether he is to be inducted into the Army or into the Navy. This procedure will do away with the present inequitable distinction whereby Navy inductees receive only 7 days as distinguished from the 21 days which Army inductees receive. Although this procedure is to go into effect on February 1, 1944, in order to commence building up the pools, registrants will be ordered to report for preinduction examinations during January in addition to registrants being ordered to report for induction under the old procedure until February 1, 1944. It is hoped that in the near future sufficient numbers of persons will be given preinduction examinations long enough before their actual induction so that by building up large enough pools a period in excess of the initial 21 days can be granted. It may ultimately be that such a period can be extended to as long as 45 days or more.

Under the new procedure, the local board cursory examination will be given only in the event a registrant requests it and states that he believes he has one of the manifestly disqualifying defects listed in DSS Form 220.

In addition to carrying out the requirements of Public Law 197, national headquarters has recently revised local board memorandum 115 as of January 6, 1944, copy of which is attached hereto as exhibit D. The revision restricts considerably the granting of occupational deferments to registrants 22 years of age. Exceptions are made only in the case of a limited number of students in specialized fields, to personnel of the merchant marine, and in special instances where approved expressly by the State or National Director of Selective Service. Such restrictions apply to pre-Pearl Harbor fathers as well as to nonfathers. The policies with respect to classification of students have been modified and occupational deferments have been restricted considerably as set forth in the revised Activity and Occupation Bulletin 33-6, copy of which is attached hereto and marked "Exhibit E."

Under that revised bulletin, undergraduate students in certain designated fields graduating on or before July 1, 1944, may be considered for deferment. However, after July 1, 1944, in five specialized fields, namely, chemistry, engineering, geology, geophysics, and physics, only 10,000 undergraduate students can be deferred now and after July 1, 1944, and then only if they meet the following requirements:

"He is a full-time student in good standing in a recognized college or university and if it is certified as follows:

"(a) By the institution that he is an undergraduate student majoring in one of the scientific and specialized fields listed in this paragraph and that he gives promise of the successful completion of his course of study;

"(b) By the institution that if he continues his progress he will graduate within 24 months from the date of certification; and

"(c) By the national roster of scientific and specialized personnel of the War Manpower Commission that the certification of the institution as to his course of study and competence and as to his prospective date of completion is correct to the best of its knowledge and belief, and that his deferment, if granted, will be within the national quota for such students."

The 10,000 quota is to be allocated by the national roster of scientific and specialized personnel.

Activity and Occupation Bulletin 33-6 also provides that, in addition to the undergraduate students, medical, dental, veterinary, or

osteopathic students in recognized professional schools would be considered for occupational deferment during the period of such professional course, provided he is a full-time student in good standing and if (a) he continues to maintain good standing in such course of study, and (b) it is certified by the institution that he is competent and gives promise of the successful completion of such course of study and acquiring the necessary degree of training, qualification, or skill to become a recognized medical doctor, dentist, doctor of veterinary medicine, or osteopath.

Activity and Occupation Bulletin 33-6 also makes provision for certain undergraduate preprofessional students and provides that a student in premedical, pre dental, preveterinary, preosteopathic, and pretheological fields should be considered for occupational deferment if he is a full-time student in good standing in a recognized college or university, and if it is certified (a) by the institution that he is pursuing a course of study in one of these preprofessional fields and if he continues his progress he will complete such preprofessional course of study within 24 months from the date of certification; (b) by a recognized medical, dental, veterinary, osteopathic, or theological school that he is accepted for admission and will be admitted to undertake professional studies upon completion of his preprofessional work; and (c) by the national roster of scientific and specialized personnel of the War Manpower Commission that the certification of the institution as to his course of study and competence, and as to his prospective date of completion is correct to the best of its knowledge and belief, and that his deferment, if granted, will be within the quota for such preprofessional students.

The quota for preprofessional students provides (a) that the total number of preprofessional students occupationally deferred at any one time does not exceed 50 percent of the total average number of students in schools of medicine, dentistry, veterinary medicine, osteopathy, or theology, respectively, in the years 1938-39 and 1939-40, and (b) the total number of students occupationally deferred at any one time who have been accepted for admission by such school does not exceed that part of the capacity of such school available for civilian students in the entering classes for which such students have been accepted.

With respect to internes, Activity and Occupation Bulletin 23-6 provides that a registrant who has completed his professional training and preparation as a medical doctor, dentist, or osteopath, and who is undertaking further studies in a hospital or institution giving a recognized internship would be considered for occupational deferment so long as he continues such internship but for a period not to exceed 9 months.

During the hearings on S. 763, representatives of the War Department stated that the planned active strength of the Army for December 31, 1943, was 7,700,000 males and females, including both officers and men. At that time it was stated that after such strength was reached, it was hoped that no additional increase in net strength would be necessary, but that inductions into the Army would be limited to the numbers necessary to maintain the net strength of the Army at 7,700,000 by replacing losses through discharge or death.

Also in the course of the hearings, the Navy stated that its planned active strength for December 31, 1943, was 3,009,000. The Navy, however, indicated that it expected to increase its net strength above that figure, and that during the first 6 months of 1944, it expected to call upon Selective Service for 92,350 men each month, of which 73,000 per month would constitute net increase, the bal-

ance constituting estimated monthly average replacements.

The Navy would obtain additional personnel through the voluntary enlistments of 17-year-olds, WAVES, and a few over-age males.

Selective Service officials at the time of the hearings on S. 763, after analyzing and presenting figures as to the current supplies of manpower of various kinds in the various selective-service classifications and potential future supplies, and after analyzing and presenting figures constituting the demands that it was estimated would be placed on Selective Service by the armed forces for manpower, estimated that in order to meet such demands its supply of nonfathers then existing and that would be supplemented from time to time between then and the end of 1943 would be exhausted and would fall short by approximately 446,000. That resulted in our estimate that in order to meet the demands of the armed forces by the end of 1943 it would be necessary to supply the deficiency resulting from lack of nonfathers by inducing some 446,000 pre-Pearl Harbor fathers. Figures now show that approximately only 90,000 pre-Pearl Harbor fathers were in fact inducted until the end of 1943. However, partially because of the pending legislation and partly for other reasons, the Selective Service System failed to meet the demands of the armed forces and fell short in meeting the calls by approximately 300,000 men during the last 3 months of 1943. Consequently, neither the Army nor the Navy reached their planned net strength for the end of the year, and instead of having 10,709,000, they had only 10,431,000 at that time. Therefore, in order to make up this deficiency, it has been necessary for them to increase their demands upon us during the first 6 months of 1944, and, consequently, the combined monthly calls for the Army and the Navy instead of being approximately 167,000 as indicated at the time of the hearings have been increased beyond that amount. To attain the planned net strength for the Army and the Navy as of July 1, 1944, of 11,130,000, an increase in net strength during the first 6 months of 1944 of approximately 700,000 men is necessary, and in order to furnish replacements for losses as a result of casualties and discharges of an unknown amount, but which at the time of the hearings were estimated at approximately 100,000 per month for both the Army and the Navy, we believe it will be necessary to induct a considerable number of pre-Pearl Harbor fathers inasmuch as the number of nonfathers from among those reaching 18 years of age and those being reclassified from Class II-A, Class II-B, Class III-C, Class II-C, and Class IV-F under existing standards and policies will fall short of meeting such demands. In connection with our potential supplies of nonfathers and fathers, the following schedules set forth the estimated classification of registrants as of January 1, 1944.

Approximate classification of registrants, ages 18 through 37, as of Jan. 1, 1944

Classification	Total	Nonfathers	Fathers
Total living registrants	22,174,000	15,032,000	7,142,000
I-C. Furnished to armed forces. (This does not include nonregistrant enlistees who were under age or over age at time of enlistment, or who are women; it does include a certain number of registrants who died or were discharged for disability following induction)	9,170,000	9,080,000	90,000
IV-F. Disqualified from service with the armed forces for physical, mental, educational, or moral reasons	3,530,000	3,284,000	246,000
I. In process of classification, examination, and induction	1,178,000	422,000	756,000
III-A. Deferred for dependency	3,684,000	50,000	3,634,000
II-A. Deferred as necessary in civilian activity	823,000	258,000	565,000
II-B. Deferred as necessary in war production program	1,907,000	836,000	1,071,000
II-C. Deferred as necessary in agriculture	742,000	727,000	15,000
III-C. Deferred for dependency and as necessary in agriculture	880,000	182,000	698,000
III-D. Deferred for dependency hardship	98,000	64,000	34,000
IV-B-C-D-E. Deferred specifically by law (public officials, neutral aliens, ministers, and students of religion) or under authority of law (conscientious objectors)	162,000	129,000	33,000

In analyzing the various pools of registrants I call your attention to the fact that as the pre-Pearl Harbor fathers are reclassified out of class III-A the other deferred classifications necessarily are increasing, although it should be kept in mind that as they increase the percentage of pre-Pearl Harbor fathers in these classes as compared with the number of nonfathers is steadily increasing, while the percentage of nonfathers in such classifications is decreasing. This is due not only to the influx of pre-Pearl Harbor fathers into the other deferred classifications but is also due to reclassification out of such classes of nonfathers. The schedule attached hereto as exhibit F shows the classification actions made during the months of October and November 1943. You will note from that schedule that out of a total of 3,197,160 cases considered by local boards 245,335 class II-A and II-B registrants were processed, 202,836 of whom went into the armed forces or into class I-A pending physical examination; 50,919 class II-C farmers without dependents had their cases looked at, of whom 39,367 went into the armed forces or into class I-A pending physical examination; 91,972 class IV-F registrants were reconsidered, of whom 79,793 went into the armed forces or into class I-A pending physical examination.

Exhibit G, attached, hereto sets forth a break-down of the 138,067 Federal employees who were deferred in class II-A and class II-B on November 15, 1943, solely because of their Federal employment. Approximately 22,590 of that number are pre-Pearl Harbor fathers; 114,987 of the Federal employees in class II-A and class II-B are civilian employees of four agencies, namely, War Department, Navy Department, War Shipping Administration, and Maritime Commission; only 23,080 are employees of all the 53 other agencies listed.

Classification actions and reclassifications from the deferred classes, namely, class II-A, class II-B (industrial, student, governmental), class II-C and class III-C (farm), and class IV-F (physical), are taking place continually, and indications are that the local boards are closely scrutinizing the cases of nonfather registrants in these deferred classifications, while, at the same time, pursuant to our instructions as set forth in Local Board Memorandum 115 and Local Board Memorandum 123, are giving more liberal occupational and hardship consideration to pre-Pearl Harbor fathers. In addition to this action on the part of local boards, the increased activity on the part of the appeal boards, State headquarters, and national headquarters, pursuant to the intention of Congress in connection with Public Law 197, should serve to weed out any improper deferments and to thereby not only cause the induction of all who may be improperly deferred but also, at the same time, to thereby remove the stigma from those who are in fact irreplaceable at the present moment and whose morale we must in all fairness and for all practicable purposes maintain at the highest level in order not to impair essential production.

Although at the present time many of the men now occupationally deferred in industry or on the farms are irreplaceable from the standpoint that there are no satisfactory replacements ready and willing to come forward and replace them, the message presented to Congress by the President recommending national service legislation, if acted upon by Congress, would provide the means of making replacements available for many of the nonfathers who are now deferred, and to the extent that they are made available, for each nonfather who is replaced and inducted, one less father will be taken who would otherwise have had to be inducted. This will become immediately apparent to you if you look at the above schedule and could visualize an appreciable number of the 3,530,000 class IV-F registrants or other deferred or nonliable registrants in the jobs now held by the nonfathers among the 823,000 II-A registrants, the 1,907,000 II-B registrants and the 742,000 II-C registrants.

In connection with the 3,530,000 registrants in class IV-F, 2 tables are attached hereto as exhibit H. The first of those tables sets forth a break-down of the principal causes of rejection of those class IV-F registrants. The second table shows that many registrants who have been listed as being rejected for 1 principal cause of rejection also have other defects for which they would be rejected. This second table is the result of a sample confined to only 10 causes for rejection and thus far is the only information available, although more detailed information will be available subsequently for later reports. Schedules which we have heretofore submitted with respect to class IV-F registrants and their causes for rejection set forth only a break-down of the principal causes for rejection, listing only 1 cause per man regardless of the number of rejectable defects he might actually have. Consequently, some persons have erroneously, but quite naturally, inferred from such schedules that if a certain number of men were listed as being rejected for hernia, and if hernia were abolished as a cause for rejection, that exact number of men would immediately qualify for induction. Such an inference is entirely incorrect, inasmuch as a number of those who are rejected for hernia would also have one or more other defects for which they would be rejected if they had not been rejected for hernia.

Section 6 of Public Law 197 requires us to report on discharges from the armed forces. In this connection it is, of course, obvious that the number of discharges for reasons other than death and the individual causes for such discharges are as material as a review of the number of men who are rejected and the causes for such rejection. Consequently, we have requested from both the Army and the Navy information with respect to the persons discharged over a specified period, together with causes therefor. This information has been obtained from the Army but has not as yet been received from the Navy. However, the information from the Navy when received will be made available to the committee. About 200,000, it is estimated, were discharged from the Army during the last 4 months of 1943 for physical and mental reasons. Some idea of the distribution of these cases may be obtained from the table attached hereto as exhibit I. The number of monthly discharges from the Army, other than for battle casualties, has decreased materially, and War Department Circular No. 293, copy of which is attached hereto as exhibit J, has had considerable to do with this decrease.

In connection with the portion of Local Board Memorandum 115 restricting occupational deferments of men under 22 years of

age, it will be seen from exhibit G that there were approximately 15,000 Federal employees in class II on November 15, 1943, who were deferred solely by reason of their occupation. In addition to these, most of whom were nonfathers, there were approximately 122,500 other registrants, exclusive of farmers, who were between 18 and 21 and who were deferred in classes II-A and II-B by reason of their occupation. Any pre-Pearl Harbor fathers under 22 years of age who remain in class III-A will, of course, be subject to this restriction on occupational deferment, and, therefore, the total number of persons affected will be in excess of these numbers. This occupational deferment restriction with respect to men between 18 and 22 could not be applied to class II-C and class III-C registrants deferred by reason of engaging in farming, because of the specific wording of the Tydings amendment, section 5 (k) of the Selective Service Act. However, as already indicated, local boards are closely scrutinizing the causes of registrants deferred by reason of farming inasmuch as the Tydings amendment gives to the local boards broad authority with respect to them. In this connection, if the local board upon reviewing any such case finds that the registrant is not (1) necessary to, or (2) regularly engaged in an agricultural activity essential to the war effort, or (3) is not irreplaceable in fact, it is charged under the Tydings amendment with the responsibility of removing the deferment from such registrant, and indications are, as set forth in exhibit F, that local boards are doing just that, although some guidance from national headquarters may be required.

EXHIBIT A

NATIONAL HEADQUARTERS,
SELECTIVE SERVICE SYSTEM,
Washington, D. C.

LOCAL BOARD MEMORANDUM NO. 123—ISSUED
APRIL 21, 1943, AS AMENDED DECEMBER 10,
1943

Subject: Fathers to be reclassified but not to be inducted until after available volunteers and nonfathers.

1. Manpower objectives: The manpower required by the armed forces, war production, and activities supporting the war effort to carry out the strategic plans of the armed forces, and the general deferment of registrants regularly engaged in agriculture make it necessary to reclassify fathers to meet current calls, to supply information concerning the number of fathers who will be available to meet future calls, and to determine which fathers will be deferred because they are in war production or in activities supporting the war effort.

2. Disposition of class III-A: One of the objectives sought to be accomplished by Congress in adopting the recent amendments to the Selective Training and Service Act of 1940 was to delay as long as possible the induction of fathers. In order to do everything within the power of the Selective Service System to give effect to this purpose of Congress, local boards and appeal boards will continuously review deferred classifications to the end that no nonfather shall continue in a deferred status longer than required by the national interest. Selective Service Regulations have been amended to provide that no registrant shall thereafter be placed in class III-A and that the classification of all registrants now in class III-A shall be immediately reopened in sequence of order numbers and they shall be classified anew.

3. Deferment in other classifications to be considered: In classifying registrants anew under the provisions of this memorandum,

the local boards shall proceed as provided in section 623.21, Selective Service Regulations, paying particular attention to the following questions:

(a) Should the registrant be deferred by reason of his agricultural occupation or endeavor? See Local Board Memorandum No. 164, No. 164-A, No. 164-B, and No. 164-C.

(b) Should the registrant be deferred by reason of his employment in war production or in support of the war effort? See Selective Service Regulations, sections 622.21 to 622.24, inclusive, and Local Board Memorandum No. 115, No. 115-A, No. 115-B, No. 115-C, No. 115-D, and No. 115-E. In determining this question with respect to fathers who are eligible for occupational deferment under the provisions of Local Board Memorandum No. 115, the foregoing regulations Local Board Memorandum No. 115, and other applicable instructions will be liberally construed. Fathers who are eligible for occupational deferment under the provisions of Local Board Memorandum No. 115 and who are making contributions in war production or in support of the war effort are usually stable employees and, if other factors are equal, will normally be accorded deferment in preference to nonfathers.

(c) Should the registrant be placed in class III-D? In determining this question the provisions of section 622.32, Selective Service Regulations, will be strictly construed and the amounts payable under the amended Servicemen's Dependents Allowance Act of 1942 (see table attached) shall be taken into consideration.

4. Filling calls: When a local board is filling a call, it shall first select and order to report for induction specified men who have volunteered for induction. To fill the balance of the call, it shall, from the groups listed below, and insofar as possible in the order in which the groups are listed, select and order to report for induction specified men finally classified in class I-A and class I-A-O who are available for induction: Nonfathers;¹ fathers.² Specified nonfathers will be selected and ordered to report for induction in sequence of their order numbers except that a specified nonfather placed in class I-A or class I-A-O because he is a delinquent (see pt. 642) or because he left an agricultural occupation or endeavor (see secs. 622.25 and 622.31-2) shall, regardless of his order number, be moved to the head of other nonfathers and ordered to report for induction before any other specified nonfather. In a

¹ A registrant in class IV-E will be ordered to report for a final-type physical examination under the provisions of sec. 651.1 when under the provisions of this paragraph he would be ordered to report for induction if he were classified in class I-A or class I-A-O.

² All registrants who do not qualify under the definition of the word "father" in footnote 3 hereof shall be considered as nonfathers. This group combines former groups 1, 2, and 3. Whenever reference is made to groups 1, 2, and 3 in selective-service documents or forms, such reference shall be deemed to refer to nonfathers as herein defined.

³ A father is defined as a registrant who was married prior to December 8, 1941, who has maintained a bona fide family relationship with his family since that date, and who has a child as defined in sec. 622.33 (a), Selective Service Regulations. This group is former group 4 revised on the basis of the congressional definition of "child." Whenever reference is made to group 4 in selective-service documents or forms, such reference shall be deemed to refer to fathers as herein defined.

similar manner, when fathers are reached, specified fathers will be selected and ordered to report for induction in sequence of their order numbers, except that a specified father placed in class I-A or class I-A-O because he is a delinquent (see pt. 642) or because he left an agricultural occupation or endeavor (see sec. 622.31-2) shall, regardless of his order number, be moved to the head of other fathers and ordered to report for induction before any other specified father.

5. Fathers in class I-A or class I-A-O because of nondeferable activity and late registrants: When a father has been placed in class I-A or class I-A-O because he was engaged in a nondeferable activity or occupation listed in Local Board Memorandum No. 181 (now rescinded), or when a late registrant father is hereafter placed in class I-A or class I-A-O, but would have been entitled to be placed in class III-A had not that class been abolished, an order to report for induction (Form 150) shall not be issued to him until such time as all fathers with lower order numbers who are still in class III-A have been reclassified and (if placed in class I-A or class I-A-O) have been ordered to report for induction.

LEWIS B. HERSHEY,
Director.

TABLE OF MONTHLY ALLOWANCES TO SERVICEMEN'S DEPENDENTS

I. To class A dependents, which class includes the serviceman's wife, child, or former wife divorced:

(1) Wife but no child ¹	\$50
(2) (a) Wife and 1 child ¹	80
(b) Each additional child.....	20
(3) (a) Child but no wife.....	42
(b) Each additional child.....	20
(4) Former wife divorced but no child ¹	42
(5) (a) Former wife divorced and 1 child ¹	72
(b) Each additional child.....	20

¹ The family allowance payable to a wife who is living apart under written agreement or court order or decree, or to a former wife divorced, shall never exceed the amount payable to her under the agreement, order, or decree; and if such agreement, order, or decree provides for no amount payable to her, no family allowance shall be payable to her.

II. To class B dependents, which class includes the serviceman's parent, brother, or sister who is found by the Secretary of the Department concerned (War or Navy) to be dependent on the serviceman for a substantial portion of his support, but payable only while no allowance is payable to any class B-1 dependent:

One or more dependents, in the aggregate.....

III. To class B-1 dependents, which class includes the serviceman's parent, brother, or sister who is found by the Secretary of the Department concerned (War or Navy) to be dependent on the serviceman for the chief portion of his support:

(1) 1 parent but no brother or sister....	\$50
(2) 2 parents but no brother or sister....	68
(3) (a) 1 parent and 1 brother or sister.....	62
(b) Each additional brother or sister.....	11
(4) (a) 2 parents and 1 brother or sister.....	79
(b) Each additional brother or sister.....	11
(5) (a) A brother or sister but no parent.....	42
(b) Each additional brother or sister.....	11

The amount paid to a serviceman's dependent or dependents each month is made up of a deduction of \$22 from his pay and a contribution of the remainder by the Government except that if the dependents in-

clude more than one class of dependents an additional \$5 is deducted from the serviceman's pay. If the total does not exceed \$22, it is all deducted from the serviceman's pay.

The Servicemen's Dependents Allowance Act of 1942, as amended, defines the terms "wife," "former wife divorced," "child," "parent," "brother," and "sister" as quoted below. These definitions differ materially in several instances, notably that of a "child," from definitions of the same terms when used in the Selective Training and Service Act and the selective service regulations. These differences should be noted and, in considering the allowances which may accrue under the Servicemen's Dependents Allowance Act to the dependents of a registrant if he is inducted, care should be exercised to determine definitely whether the persons involved are within the following definitions, regardless of the definition of the same terms under the Selective Training and Service Act of 1940 or the Selective Service Regulations (from sec. 120, Servicemen's Dependents Allowance Act of 1942, as amended):

"(a) The term 'wife' means a lawful wife.

"(b) The term 'former wife divorced' means a former wife divorced who has not remarried and to whom alimony has been decreed and is still payable.

"(c) The term 'child' includes—

"(1) A legitimate child;

"(2) A child legally adopted;

"(3) A stepchild, if a member of the man's household, including a stepchild who continues as a member of the man's household after death of the mother or termination of the marriage; and

"(4) An illegitimate child, but only if the man has been judicially ordered or decreed to contribute to such child's support; has been judicially decreed to be the putative father of such child; or has acknowledged in writing that he is the father of such child.

"(d) The term 'child' also includes a person to whom the man stands in loco parentis and has so stood for not less than 12 months prior to the date of application on behalf of such child.

"(e) The term 'parent' includes father and mother, grandfather and grandmother, stepfather and stepmother, father and mother through adoption, either of the person in the service or of the spouse, and persons who, for a period of not less than 1 year prior to the man's enlistment or induction, stood in loco parentis to the man concerned: *Provided*, That not more than two within those named therein may be designated to receive an allowance, and in the absence of a designation by the enlisted man preference shall be given to the parent, or parents not exceeding two, who actually exercised parental relationship at the time of or most nearly prior to the date of the enlisted man's entrance into active service: *Provided further*, That if such parent or parents be not dependent or waive an allowance, preference may be extended to others within the class who at a more remote time actually supported the enlisted man prior to entrance into service.

"(f) The terms 'brother' and 'sister' include brothers and sisters of the half blood as well as those of the whole blood, stepbrothers and stepsisters, and brothers and sisters through adoption.

"(g) The terms 'child,' 'brother,' and 'sister' are limited to unmarried persons either (1) under 18 years of age, or (2) of any age, if incapable of self-support by reason of mental or physical defect."

Under certain circumstances a person may be a "dependent" of two or more members of the armed forces at the same time, and any amount presently being received by a dependent of a prospective inductee because of

another relative in the armed forces should be considered as well as the allowance which may result from his induction.

EXHIBIT B
NATIONAL HEADQUARTERS,
SELECTIVE SERVICE SYSTEM,
Washington, D. C.

LOCAL BOARD MEMORANDUM NO. 188—ISSUED
DECEMBER 10, 1943

Subject: Appeal Procedure

PART I. GENERAL

Law. On December 10, 1943, the Selective Training and Service Act of 1940, as amended, was further amended by the addition of subsection (1) to section 5 of the act. Subsection (1) in part is as follows:

"(1) In the case of any registrant whose principal place of employment is located outside the appeal-board area in which the local board having jurisdiction over the registrant is located, any occupational deferment under subsection (c) (2) or subsection (e) of this section (section 5) existing at the date of enactment of this subsection shall within 30 days after such date, and any such occupational deferment made after the date of enactment of this subsection shall within 10 days after such deferment is made, be submitted for review and decision to the selective-service appeal board having jurisdiction over the area in which is located the principal place of employment of the registrant."

PART II. APPEAL BY LAW FOR CERTAIN REGISTRANTS DEFERRED IN CLASS II-A OR CLASS II-B ON DECEMBER 10, 1943

File of registrant whose classification is appealed by law to be forwarded for review and decision of the board of appeal before January 9, 1944: On or before January 9, 1944, every local board shall, in the manner provided by section 627.13, Selective Service Regulations, forward for review and decision of the board of appeal in whose area is located the registrant's principal place of employment, the file of each registrant:

a. who on December 10, 1943, is in class II-A or class II-B (regardless of whether he was so classified by a local board, a board of appeal,² or the President³) and

b. whose principal place of employment, and local board of jurisdiction are in different appeal-board areas.

PART III. APPEAL BY LAW FOR CERTAIN REGISTRANTS PLACED IN CLASS II-A OR CLASS II-B AFTER DECEMBER 10, 1943

File of registrant whose classification is appealed by law to be forwarded for review and decision of the board of appeal within 10 days after he is classified: Within 10 days after he is classified, the local board shall, in

¹ Section 5 (1) of the act does not provide for an appeal by law in any of the following cases:

(a) Where the principal place of employment of the registrant and the local board having jurisdiction over the registrant are both in the same appeal board area.

(b) Where the principal place of employment of the registrant is located outside an area where boards of appeal are organized.

² Except where the classification of the registrant was made by the board of appeal having jurisdiction over the area in which the principal place of employment of the registrant is located.

³ Except where the classification of the registrant was made by the President on appeal from the board of appeal having jurisdiction over the area in which the principal place of employment of the registrant is located.

the manner provided by section 627.13, Selective Service Regulations, forward for review and decision of the board of appeal in whose area is located the registrant's principal place of employment, the file of each registrant:

- a. who after December 10, 1943, is placed in class II-A or class II-B by the local board, and
- b. whose principal place of employment and local board of jurisdiction are in different appeal board areas.

PART IV. APPEAL FROM ANY CLASSIFICATION

1. Procedure when appeal was taken on or before December 10, 1943: (a) Whenever an appeal was taken on or before December 10, 1943, by any person entitled to appeal from any classification of a registrant, and such appeal has not been finally disposed of on or before December 10, 1943, the local board, board of appeal, or the President, whichever has possession of the file, shall determine the address of the principal place of employment of the registrant.

(b) If the registrant's principal place of employment and the local board having jurisdiction over the registrant are in different appeal board areas, the board of appeal, or the President, in possession of the file shall take no further action in the case but shall immediately return the file to the local board. The local board shall then forward the file in the manner provided by section 627.13, Selective Service Regulations, to the board of appeal having jurisdiction over the principal place of employment of the registrant.

(c) If the principal place of employment of the registrant and the local board having jurisdiction over the registrant are in the same appeal board area, or the principal place of employment of the registrant is located in an area where boards of appeal are not organized, or the registrant is unemployed, the appeal board or the President, whichever has possession of the file, shall handle and determine the appeal in the same manner as heretofore, and, after determining the case, shall return the file to the local board.

2. Procedure when appeal taken after December 10, 1943: (a) Whenever an appeal is taken after December 10, 1943, by any person entitled to appeal from any classification of a registrant by a local board, the local board shall determine the address of the principal place of employment of the registrant.

(b) If the principal place of employment of the registrant and the local board having jurisdiction over the registrant are in different appeal board areas, the local board will forward the appeal in the manner provided in section 627.13, Selective Service Regulations, to the board of appeal in whose area is located the registrant's principal place of employment.

(c) If the principal place of employment of the registrant and the local board having jurisdiction over the registrant are in the same appeal board area, or the principal place of employment of the registrant is located in an area where boards of appeal are not organized, or the registrant is unemployed, the local board will forward the registrant's file to its own appeal board in the manner provided in section 627.13, Selective Service Regulations.

LEWIS B. HERSHEY,
Director.

EXHIBIT C

NATIONAL HEADQUARTERS,
SELECTIVE SERVICE SYSTEM,
Washington, D. C.

LOCAL BOARD MEMORANDUM No. 178—ISSUED
JANUARY 27, 1943 AS AMENDED, JANUARY 6, 1944

Subject: Preinduction physical examination and induction

1. Description of new plan: The Selective Service Act, as amended December 5, 1943

(Public Law 197), provides that any registrant may request and receive a preinduction physical examination when his induction will shortly occur. Since most registrants would request such an examination, provision has been made, effective immediately, for a preinduction physical examination for registrants classified in class I-A, class I-A-O, or class IV-E, and in certain instances for registrants in other classes whose induction will shortly occur. Effective immediately, local board physical examinations are limited to registrants claiming manifestly disqualifying defects; provided that serology shall, whenever possible, be taken for all registrants forwarded for induction or for preinduction physical examination on or before January 31, 1944. Effective February 1, 1944, taking blood for serology will be discontinued at the local board level except when request is made to verify serology taken by the armed forces.

2. Induction procedures for January 1944: In order to facilitate the switch-over from the present system to the new system for physical examination and induction, the local board will continue to send registrants forward for induction during January 1944 in the same manner as heretofore, and the armed forces will give registrants inducted during January the usual furloughs. Orders to report for induction (Forms 150) shall be immediately issued to the number of registrants required to fill the January call. Local board physical examinations are limited to registrants claiming manifestly disqualifying defects; provided that serology shall, whenever possible, be taken for all registrants forwarded for induction on or before January 31, 1944.

3. Preinduction procedures for January 1944: Preinduction physical examinations will also be commenced during January, and every effort will be made to build up a pool of men who have been accepted by the armed forces as a result of such preinduction physical examination to be available for filling calls in February and thereafter. The State director will advise the local boards of the number of men to be forwarded to the induction station for preinduction physical examination during January. Local board physical examinations are limited to registrants claiming manifestly disqualifying defects; provided that serology shall, whenever possible, be taken for all registrants forwarded for preinduction physical examination on or before January 31, 1944.

4. Preinduction procedures for February and thereafter: For each month commencing with February 1944, the local board will receive a call—preinduction physical examination (Form 224) specifying the number of men to be delivered for preinduction physical examination.

5. Induction procedures for February and thereafter: (a) Calls for induction for February and for each month thereafter will be separate for the Army and for the Navy. Army calls will be filled by men who on preinduction physical examination have been found acceptable to the Army. Navy calls will be filled by men who on preinduction physical examination have been found acceptable to the Navy. Each local board will receive from the State Director of Selective Service new separate Army and Navy calls for February to replace the present combined call.

(b) Deliveries to the Army and to the Navy for induction for February and thereafter will be made in accordance with instructions of the State director of Selective Service.

6. Importance of filling calls: The importance of the Selective Service System filling every call for induction of the armed forces cannot be overemphasized. The key to successfully filling calls for induction under the new system outlined in this memorandum is to create an adequate pool by filling all calls

for preinduction physical examination. Every effort should be made to build this pool to a size which will permit a minimum of 45 days between the time of each registrant's preinduction physical examination and his induction. In filling such calls for preinduction physical examination, local boards will not reclassify registrants who are properly deferred occupationally or otherwise but will fill such calls from men properly classified as available for military service.

7. Assignment to the Army or the Navy (including the Marine Corps and Coast Guard): At the time of his preinduction physical examination each registrant who is found to be acceptable for service in the armed forces will be designated as acceptable either to the Army, or to the Navy (including the Marine Corps and Coast Guard). Before such designation is made, the registrant will be given an opportunity to express, and the fullest consideration practicable will be given to his preference.

8. Enlistments and volunteers for induction: (a) No male persons ages 18 through 37 may enlist. Male persons of other ages may enlist as heretofore.

(b) Male persons ages 18 through 37 may volunteer for induction at the local board, and if such a person wishes to be inducted immediately he may sign a request for immediate induction (Form 219).

(c) When a male person ages 18 through 37 volunteers for induction, he will be permitted to indicate at the induction station the service to which he prefers assignment. Insofar as such a volunteer for induction is qualified, and a vacancy exists, he will be assigned to the preferred service. Local boards should not, however, assure him that he will be inducted into the service which he prefers.

9. Volunteers with specialized training: The Joint Army and Navy Personnel Board has announced a policy governing the selection, induction, and assignment of certain specialized personnel such as aviation cadets, officer candidates, or technicians. Registrants desiring to apply for such assignment may do so at the recruiting stations of the respective services where their acceptability for special assignment will be determined. If the registrant is found to be acceptable, the recruiting officer will give him a letter addressed to the commanding officer of the induction station setting forth the pertinent facts, but such letter is not a document for consideration by the local board. Such registrant will apply for voluntary induction at his local board by filing an application for voluntary induction (Form 165) and will request immediate induction by signing a request for immediate induction (Form 219). He should be classified and, if not deferred, ordered to report for induction.

When the registrant is delivered to the induction station, he will present his letter of acceptance from the recruiting officer. We are advised that he will be assigned to the unit for which he has previously been found acceptable, but his assignment is strictly a function of the induction station and local boards should make no commitment regarding such assignment.

LEWIS B. HERSHEY,
Director.

EXHIBIT D

NATIONAL HEADQUARTERS,
SELECTIVE SERVICE SYSTEM,
Washington, D. C.

LOCAL BOARD MEMORANDUM No. 115—ISSUED
MARCH 16, 1942; AS AMENDED JANUARY 6, 1944; EFFECTIVE FEBRUARY 1, 1944

Subject: Occupational classification other than agricultural.

PART I. GENERAL POLICIES

1. Objectives of the Selective Service System: The Selective Service System, in the

selection of men, is responsible for the attainment of two objectives. First, the manpower requirements of the armed forces must be met. Second, civilian functions necessary to war production and to the support of the war effort must be maintained.

2. Basis of occupational deferment: In order to be given occupational deferment, a registrant must be a "necessary man" in war production or in support of the war effort.

3. Replaceability: In determining whether a registrant is a "necessary man," the replaceability of the registrant is of paramount importance. The replaceability of the registrant may be based on various factors which should be considered carefully. There may be a shortage of men possessing the registrant's special training, qualification, or skill. There may be such a distinct unskilled labor shortage that the registrant is irreplaceable without reference to any special training, qualification, or skill. In either case, there may be a shortage of the supply of labor for replacement purposes at the place where the registrant is working even though there is no over-all shortage throughout the Nation.

PART II. SPECIAL PROVISIONS APPLICABLE TO REGISTRANTS, AGES 18 THROUGH 21

1. Registrants, ages 18 through 21, not to be occupationally deferred except under certain conditions: Effective February 1, 1944, no registrant (whether a nonfather or a father) ages 18 through 21 at the time he is classified may be considered as a "necessary man" entitled to be placed in class II-A or class II-B unless:

(a) There is filed with the local board a Form 42-A Special upon which the State director of selective service in whose State the registrant's principal place of employment is located has endorsed a statement, that, based upon the information on the Form 42-A Special, he recommends that the local board except the registrant from the general restriction against the occupational deferment of registrants, ages 18 through 21.¹

(b) An exception to the restriction against occupational deferment of registrants, ages 18 through 21, is specifically authorized by the Director of Selective Service without a statement from a State director of selective service as provided in (a) above and the local board determines that the registrant comes within the exception described by the Director of Selective Service.² (See list of exceptions attached.)

¹ All requests for new or additional occupational deferments for registrants under this subparagraph will be made on Affidavit-Occupational Classification (Form 42-A Special). The DSS Form 42-A Special will be completed in an original and first copy and second copy and presented by the employer to the State director in whose State is located the registrant's principal place of employment. If the registrant is included on a replacement schedule, the original and both copies of DSS Form 42-A Special will be submitted to the State director with the replacement schedule.

² All requests for new or additional occupational deferments for registrants under this subparagraph will be made on Affidavit-Occupational Classification (Form 42 Special). DSS Form 42 Special will be filed directly in an original and first copy with the local board of the registrant concerned. The DSS Form 42 Special will not be submitted to the State director.

XC—11

2. Registrant, age 18 through 21, in class II-A or II-B on February 1, 1944: Unless justified by a change in status or other condition, the deferment in class II-A or class II-B of a registrant, age 18 through 21, existing on February 1, 1944, shall not be terminated in advance of its expiration date.³

3. Local board to reopen certain classifications: When at any time prior to induction a Form 42-A Special or a Form 42 Special is received by a local board for a registrant, age 18 through 21, and the local board determines that such registrant is within one of the exceptions to the general restriction against occupational deferment of registrants, ages 18 through 21, set forth in subparagraphs (a) and (b) of paragraph 1 above, the local board will reopen and consider anew the classification of such registrant.

4. Local boards to report registrants, ages 18 through 21, placed in class II-A or class II-B: The local board shall report to the Director of Selective Service each registrant (whether on a replacement schedule or otherwise), age 18 through 21, who on or after February 1, 1944, is placed in class II-A or class II-B under the provisions of this memorandum. Such report will be made as follows:

(a) If such registrant is placed in class II-A or class II-B by the local board, it will complete the report to the Director of Selective Service on the back of the first copy of DSS Form 42 Special or DSS Form 42-A Special, attach the first copy to the Local Board Action Report (Form 110) for the local board meeting at which such classification is made, and transmit it to the Director of Selective Service, Gimbel Building, Philadelphia, Pa., as an attachment to the DSS Form 110.

(b) If such registrant is not placed in class II-A or class II-B by the local board but is so classified by the board of appeal or the President, the local board will complete the report to the Director of Selective Service on the back of the first copy of DSS Form 42 Special or DSS Form 42-A Special, attach such first copy to the local board action report (Form 110) for the local board meeting at which such classification by the board of appeal or the President is recorded, and transmit it to the Director of Selective Service, Gimbel Building, Philadelphia, Pa., as an attachment to the DSS Form 110.

PART III. SPECIAL PROVISIONS APPLICABLE TO REGISTRANTS AGES 22 AND OVER

1. Special consideration for fathers: In determining whether a father age 22 or over is a "necessary man," the provisions of sections 622.21 to 622.24, inclusive, Selective Service Regulations, and the applicable provisions of this local board memorandum, and other applicable instructions will be liberally construed. A father age 22 or over who is making a contribution in war production or in support of the war effort is usually a stable employee and, if other factors are equal, will normally be accorded occupational deferment in preference to fathers ages 18 through 21 and in preference to all nonfathers.

PART IV. INFORMATION AVAILABLE IN CONNECTION WITH OCCUPATIONAL CLASSIFICATION

1. All available information to be considered: In determining whether a registrant should be placed in class II-A or class II-B, all available information from national, regional, State, and local levels will be used.

³ This paragraph is not applicable to deferments granted in accordance with the provisions of Activity and Occupation Bulletin No. 33-6.

No one source of information is conclusive. All information presented must be considered and evaluated properly. The agencies of the Selective Service System are urged to use the facilities of the United States Employment Service for information with respect to the occupations of registrants.⁴ Local employment offices, on request, will provide local boards with information as to whether there exists or is likely to exist in the near future a national or local shortage of persons with the registrant's claimed qualifications.⁵

2. Activity and occupation bulletins: The agencies of the Selective Service System have been supplied with activity and occupation bulletins. The information contained in the activity and occupation bulletins is prepared by the War Manpower Commission and is used by the United States Employment Service in connection with the recruitment, transfer, and placement of workers. The activities and occupations contained in these bulletins represent, on a national basis, the most important activities and occupations with respect to war production and in support of the war effort.

3. Use of activity and occupation bulletins: The activity and occupation bulletins should be used by the agencies of the Selective Service System as a guide and should be considered in occupational classification matters along with all other available information. The agencies of the Selective Service System will give careful consideration to the fact that a registrant is engaged in war production or in support of the war effort in determining his replaceability or loss to the war effort should the registrant be withdrawn without replacement. The inclusion of the registrant's employment in activity and occupation bulletins, or exclusion therefrom, does not conclusively determine his occupational status. The local board and board of appeal may consider a registrant for occupational deferment when he is employed in an activity or occupation in war production or in support of the war effort even though the activity or occupation is not listed in the activity and occupation bulletins. Determinations as to coverage of specific establishments by activity and occupation bulletins for placement or stabilization purposes are a function of the United States Employment Service, and agencies of the Selective Service System will make no determination with respect thereto.

4. List of critical occupations, with definitions: ⁶ The list of critical occupations, with definitions attached, is prepared by the War Manpower Commission and includes occupations requiring long experience and in which a national shortage exists or would exist should any substantial number of such persons qualified in those occupations be withdrawn from the labor market. It is impera-

⁴ Attention is directed to the provisions of Local Board Memorandum No. 115-C concerning the obtaining of information from the United States Employment Service.

⁵ Information on the availability of replacements will usually include the number of current unfilled orders for the occupation involved and the number of qualified applicants listed in the local United States Employment Service Office's files, together with such further information as may be pertinent concerning the possibility of filling the job through the transfer of workers from present employment or through clearance.

⁶ Reference is made to provisions of Local Board Memorandum No. 115-B concerning referral to the United States Employment Service of registrants ages 22 and over who are in critical occupations.

tive that, except for registrants ages 18 through 21, all registrants engaged in critical occupations in war production or in support of the war effort be given grave consideration for occupational deferment by the agencies of the Selective Service System. Administrative action will be taken to insure such consideration by the Selective Service System.

LEWIS B. HERSHEY,
Director.

LIST OF EXCEPTIONS

The Director of Selective Service authorizes the following exceptions to the restriction against occupational deferment of registrants, ages 18 through 21, without a statement from a State director of selective service:

1. Personnel of the merchant marine and the Army Transportation Corps, and persons in training therefor for whom the Recruitment and Manning Organization or the Division of Training of the War Shipping Administration files an affidavit—occupational classification (form 42 special) in accordance with the provisions of Activity and Occupation Bulletin No. 26-2 or Activity and Occupation Bulletin No. 33-2.

2. Students who qualify for occupational deferment in accordance with the provisions of Activity and Occupation Bulletin No. 33-6.

EXHIBIT E

NATIONAL HEADQUARTERS, SELECTIVE SERVICE SYSTEM, Washington, D. C.

ACTIVITY AND OCCUPATION BULLETIN No. 33-6—
ISSUED MARCH 1, 1943, AS AMENDED JANUARY
6, 1944, EFFECTIVE FEBRUARY 15, 1944

Subject: Educational services—Student deferment

PART I. POLICIES THAT APPLY TO THIS ACTIVITY

In addition to general policies, the following policies and procedures apply to this activity:

A. General policy on student deferment:

1. Change in policy: The current needs in connection with the war effort require a change in the policy governing the occupational deferment of students. The Army and Navy specialized training program is providing for the specialized training of a large number of men. This number will furnish a supply of persons in scientific and specialized fields and certain professions adequate for the needs of the armed forces. Therefore, students occupationally deferred should be limited to a number sufficient to meet civilian needs in war production and in support of the war effort.¹

2. Student quota: It is necessary that students in certain professional fields be considered for continued deferment. In certain scientific and specialized fields students who will graduate on or before July 1, 1944, should be considered for deferment until graduation. National quotas have been determined in accordance with which occupational deferment may be granted to undergraduate students in certain scientific and specialized fields, and undergraduate students in preprofessional courses of study. The quotas and the procedures by which they are controlled and certified to the local board are set forth in subpart E hereof.

¹ The provisions relating to high-school students are set forth in section 5 (f) of the Selective Training and Service Act, as amended.

B. Students, regular courses, scientific and specialized fields:

1. Undergraduate students who will graduate on or before July 1, 1944: An undergraduate student in any of the scientific and specialized fields listed in this paragraph, who will graduate on or before July 1, 1944, should be considered for occupational deferment if he is a full-time student in good standing in a recognized college or university and if it is certified as follows:

(a) By the institution that he is competent and gives promise of the successful completion of a course of study majoring in one of the scientific and specialized fields listed in this paragraph; and

(b) By the institution that if he continues his progress he will graduate from such course of study on or before July 1, 1944; and

(c) By the national roster of scientific and specialized personnel of the War Manpower Commission that the certification of the institution as to the course of study and competence of the registrant, and that if he continues his progress he will graduate from such course of study on or before July 1, 1944, are true to the best of its knowledge and belief:

Aeronautical engineering; agricultural sciences; automotive engineering; bacteriology; chemical engineering; chemistry; civil engineering; electrical engineering; forestry; geophysics; marine engineering; mathematics; mechanical engineering; meteorology; mining and metallurgical engineering, including mineral technology; naval architecture; optometry; petroleum engineering; pharmacy; physics, including astronomy; radio engineering; sanitary engineering.

2. Undergraduate students who will graduate after July 1, 1944: An undergraduate student in any of the scientific and specialized fields listed in this paragraph who will graduate after July 1, 1944, should be considered for occupational deferment if he is a full-time student in good standing in a recognized college or university and if it is certified as follows:

(a) By the institution that he is an undergraduate student majoring in one of the scientific and specialized fields listed in this paragraph and that he gives promise of the successful completion of his course of study;

(b) By the institution that if he continues his progress he will graduate within 24 months from the date of certification; and

(c) By the national roster of scientific and specialized personnel of the War Manpower Commission that the certification of the institution as to his course of study and competence and as to his prospective date of completion is correct to the best of its knowledge and belief, and that his deferment, if granted, will be within the national quota for each such student:

Chemistry, engineering, geology, geophysics, and physics.

C. Students, medical, dental, veterinary, osteopathic, and theological:

1. Students in professional schools. A registrant who is in training and preparation as a medical, dental, veterinary, or osteopathic student in a recognized medical school, dental school, school of veterinary medicine, or school of osteopathy (a student preparing for the ministry in a theological or divinity school recognized as such a school prior to September 16, 1939, is exempt from training and service under the provisions of the Selective Training and Service Act of 1940), should be considered for occupational deferment during the period of such professional course, provided he is a full-time student in good standing, and if:

(a) He continues to maintain good standing in such course of study, and

(b) It is certified by the institution that he is competent and gives promise of the successful completion of such course of study and acquiring the necessary degree of training, qualification, or skill to become a recognized medical doctor, dentist, doctor of veterinary medicine, or osteopath.

2. Undergraduate preprofessional students: A student in premedical, pre dental, preveterinary, preosteopathic, and pretheological fields should be considered for occupational deferment if he is a full-time student in good standing in a recognized college or university, and if it is certified:

(a) By the institution that he is pursuing a course of study in one of these preprofessional fields and if he continues his progress he will complete such preprofessional course of study within 24 months from the date of certification;

(b) By a recognized medical, dental, veterinary, osteopathic, or theological school that he is accepted for admission and will be admitted to undertake professional studies upon completion of his preprofessional work; and

(c) By the National Roster of Scientific and Specialized Personnel of the War Manpower Commission that the certification of the institution as to his course of study and competence, and as to his prospective date of completion is correct to the best of its knowledge and belief, and that his deferment, if granted, will be within the quota for such preprofessional students.

3. Interns: A registrant who has completed his professional training and preparation as a medical doctor, dentist, or osteopath and who is undertaking further studies in a hospital or institution giving a recognized internship should be considered for occupational deferment so long as he continues such internship but for a period not to exceed 9 months.

D. Opportunity to engage in profession:

When a registrant has completed his training and preparation in a recognized college or university, or his internship, and has acquired a high degree of training, qualification, or skill, such registrant should then be given the opportunity to become engaged in the practice of his profession in war production or in support of the war effort. In many instances following graduation from a recognized college or university, or the completion of an internship, a certain period of time will be required in the placing of such persons in war production or in support of the war effort. When a registrant has been deferred as a necessary man in order to complete his training and preparation, it is only logical that his deferment should continue until he has had an opportunity to put his professional training and skill to use in the best interest of the Nation. Accordingly, following graduation in most of these professional fields or following an internship, a registrant should be considered for further occupational deferment for a period not to exceed 30 days, in order that he may have an opportunity to engage in his profession in war production or in support of the war effort. Persons graduating in medicine, dentistry, veterinary medicine, or osteopathy are required to pass a State examination before they will be licensed to practice their profession and, accordingly, to permit the completion of such examination registrants who are graduates in medicine, den-

listry, veterinary medicine, and osteopathy should be considered for further occupational deferment for a period of not to exceed 60 days following their graduation. Consideration for further occupational deferment, as provided above, should be given following graduation or completion of internship, or in case of persons graduating in medicine, dentistry, veterinary medicine or osteopathy, after the taking of the State examination, only if during such period the registrant is making an honest and diligent effort to become engaged in his profession in war production or in support of the war effort.

E. Determination and certification of quotas:

1. Student quota, scientific, and specialized fields: A national quota of 10,000 has been established for students who should be occupationally deferred at any one time by reason of pursuing courses of study in chemistry, engineering, geology, geophysics, and physics (the scientific and specialized fields listed in sub-part B, par. 2). Students deferred to graduate on or before July 1, 1944, as provided in sub-part B, paragraph 1, and students deferred for reasons other than pursuing a course of study will not be counted against this quota.

2. Student quota, preprofessional fields: A national quota has been established for students who may be occupationally deferred at any one time by reason of pursuing courses of study in premedicine, predentistry, preveterinary medicine, preosteopathy, and pretheology. This quota provides:

(a) That the total number of preprofessional students occupationally deferred at any one time does not exceed 50 percent of the total average number of students in schools of medicine, dentistry, veterinary medicine, osteopathy, or theology, respectively, in the years 1938-39 and 1939-40, and

(b) The total number of students occupationally deferred at any one time who have been accepted for admission by such school does not exceed that part of the capacity of such school available for civilian students in the entering classes for which such students have been accepted.

3. Function of the national roster: The national roster of scientific and specialized personnel of the War Manpower Commission will certify to requests for occupational deferment of students under this bulletin as follows:

(a) Request for occupational deferment of a registrant who will graduate on or before July 1, 1944 (pt. I, B, 1, of this bulletin) will be prepared by the institution in which the registrant is a student and will be forwarded to the national roster. The national roster will, if such is the case, certify that the statements of the institution as to the course of study and competence of the registrant and that if he continues his progress he will graduate from such course of study on or before July 1, 1944, are true to the best of its knowledge and belief; and

(b) Request for occupational deferment of a registrant in chemistry, engineering, geology, geophysics, or physics (pt. I, B, 2, of this

bulletin) or in premedicine, predentistry, preveterinary medicine, preosteopathy, or pretheology (pt. I, C, 2, of this bulletin) will be prepared by the institution in which the registrant is a student and will be forwarded to the national roster. The national roster will, if such is the case, certify on the request that the statements of the institution as to the course of study and competence and prospective date of completion of the registrant are correct to the best of its knowledge and belief and that the registrant's deferment, if granted, will not exceed the quota established for such students.

If the national roster cannot truthfully make such certification, it will not certify to the request. The national roster will return the request for occupational deferment of students, whether certified to or not, to the institution which prepared the request.

4. Requests for student deferment: The institution in which the registrant is a student will file requests for the occupational deferment of such student with the local board as follows:

(a) For a student who has reached his eighteenth birthday but has not reached his twenty-second birthday, in duplicate on DSS Form 42 Special; and

(b) For a student who is 22 years of age or older, on DSS Form 42.

PART II. ESSENTIAL ACTIVITIES

Included in part I hereof.

PART III. ESSENTIAL OCCUPATIONS

Included in part I hereof.

EXHIBIT F

Classification actions on registrants 18 through 37 years of age during October and November 1943, continental United States—Preliminary

TOTAL WHITE AND NEGRO REGISTRANTS

Previous class	Total actions	New class												
		I-A I-A-D	I-A-C-L and I-A-L	I-C NDC and I-C IND	I-C ENL	II-A	II-B	II-C	III-A	III-C	III-D	IV-B, C, D and IV-E	IV-F	Other
Total.....	3,197,460	1,044,419	23,168	445,080	21,470	372,163	718,276	44,311	19,912	88,420	27,805	6,370	372,122	13,935
Unclassified.....	210,738	159,490	22	2,392	7,977	3,930	3,951	16,421	474	210	327	1,896	10,456	3,192
I-A and I-A-O.....	998,394	1,630	20,757	427,746	4,854	65,364	124,026	14,703	6,690	11,435	11,162	1,456	307,621	1,950
I-A-L.....	15,673	470	1	9,206	22	329	1,037	87	24	16	16	7	4,443	15
I-C IND.....	18,790	4,787	20	1,533	272	505	1,065	1,339	360	195	577	49	9,196	372
I-C ENL.....	5,475	2,680	1	392	221	635	190	170	24	73	27	14	938	114
II-B.....	183,079	154,700	157	348	1,183	8,796	2,597	1,758	1,113	312	305	1,427	318	
II-C.....	60,919	39,135	23	783	1,773	15,547	753	3,590	592	689	182	3,616	747	
III-A and III-B.....	1,511,303	530,232	53	1,499	3,621	280,891	569,960	4,184	12,843	60,252	14,354	1,840	31,170	4,404
III-C.....	20,397	11,567	5	20	7	1,506	1,437	2,478	2,535	57	99	51	524	159
III-D.....	14,060	10,333	3	16	23	706	2,430	57	147	53	14	243	35	
IV-B, C, D, E.....	5,360	3,159	1	80	430	293	361	156	174	56	19	178	443	200
IV-F.....	91,972	76,348	2,064	2,260	1,185	1,594	3,678	1,225	1,075	437	37	310	1,759	
Other.....	9,044	6,829	11	85	82	301	423	121	75	93	19	21	662	1,322

1 Class actions shown here are the result of grouping several classes.

EXHIBIT G

Age of registrants deferred for occupational reasons by selective service local boards because of their employment in or under the Federal Government, by branch or agency of the Government by which employed Nov. 15, 1943, registrants 18 to 37, inclusive, United States and Territories—Preliminary

Agency	Total	Age groups				
		18-21	22-24	25-29	30-34	35-37
All agencies reported, total.....	Number 138,067	Number 15,177	Number 20,262	Number 43,577	Number 39,308	Number 19,743
Legislative establishments, n. e. c.....	4	—	—	—	2	2
House of Representatives.....	3	—	—	—	—	2
The Judiciary.....	9	—	—	1	4	3
Department of Agriculture.....	1,908	14	128	586	716	464
Department of Commerce.....	3,494	170	476	1,258	1,072	518
Civil Aeronautics Board.....	4	—	—	1	2	1
Department of the Interior.....	1,285	31	180	428	400	237
Department of Justice.....	4,648	116	560	2,303	1,305	364
Department of Labor.....	28	—	—	2	17	9
Navy Department.....	64,679	7,240	10,338	20,274	18,029	8,798
Pearl Harbor, n. e. c.....	1,593	284	377	506	309	117

EXHIBIT G—Continued

Agency	Total Number	Age groups				
		18-21 Number	22-24 Number	25-29 Number	30-34 Number	35-37 Number
Post Office Department	547		7	147	211	182
Department of State	378	1	51	148	110	68
Department of the Treasury	106	1	2	26	45	32
War Department	38,563	2,383	4,981	12,351	12,313	6,535
Panama Canal, n. e. c.	1,616	60	226	689	504	237
Federal Security Agency	227	2	11	93	79	42
Federal Works Agency	317	12	41	77	109	78
National Housing Agency	8				4	4
Board of Economic Warfare	79	1	2	21	28	27
Bureau of the Budget	13				6	7
National Resources Planning Board	4			1	1	2
Office of Censorship	54		2	21	18	13
National War Labor Board	18		1	3	9	5
Office of Alien Property Custodian	5				2	3
Office of Civilian Defense	14	2	1	2	4	5
Office of Coordinator Inter-American Affairs	36			7	13	16
Office of Defense Transportation	46		1	4	18	23
Office of Lend-Lease Administration	19	1		3	9	6
Office of Scientific Research and Development	372	26	77	161	80	28
Office of War Information	231	4	11	64	97	55
War Manpower Commission	133	3	13	40	42	35
National Youth Administration	13			2	7	4
War Production Board	146	2	4	32	55	53
War Relocation Authority	7			1	1	5
War Shipping Administration	7,394	2,470	1,275	1,735	1,302	612
Office for Emergency Management, n. e. c.	62	4	6	22	17	13
Office of Price Administration	62		1	14	23	24
Office of Strategic Services	21	1		8	12	
Petroleum Administration for War	40		1	8	21	10
The Allev Dwelling Authority	1				1	
Civil Service Commission	46	4	7	14	14	7
Employees Compensation Commission	2			1		1
Federal Communications Commission	358	24	31	151	108	44
Federal Deposit Insurance Corporation	1					1
Federal Power Commission	12			1	6	5
General Accounting Office	8		1	1	6	1
Government Printing Office	10			1	4	5
Library of Congress	5			2	2	1
National Advisory Committee for Aeronautics	867	155	286	255	118	53
National Labor Relations Board	5				2	3
Railroad Retirement Board	1					1
Securities and Exchange Commission	5			1	1	2
Tariff Commission	2				1	1
United States Maritime Commission	4,351	1,915	659	913	627	237
Veterans' Administration	28		1	7	11	9
Executive Office and independent establishments, n. e. c.	15	5	3	2	3	2
Federal Reserve System	4				2	2
Reconstruction Finance Corporation	96		4	21	36	35
Tennessee Valley Authority	1,010	8	85	285	412	220
Government Corporation and Credit, n. e. c.	31		1	6	8	16
District of Columbia Government	463		30	185	178	70
Government agencies, n. e. c.	2,560	237	381	792	762	388

NOTE.—"n. e. c." means "not elsewhere classified."

SOURCE.—Report of Occupational Deferment of Federal Government Employees from Selective Service Local Boards (DSS Forms 38 and 39).

EXHIBIT H (1)

Estimated principal causes for rejection of registrants 18 to 37 years of age in class IV-F, as of Jan. 1, 1944—Preliminary

Principal cause for rejection	Num-ber	Per-cent
Total	3,437,000	100.0
Manifestly disqualifying defects	361,200	10.5
Educational deficiency ¹	358,100	10.4
Physical and mental defects	2,679,500	78.0
Mental disease	497,800	14.5
Syphilis	312,900	9.1
Musculo-skeletal	252,800	7.4
Cardiovascular	219,200	6.4
Hernia	202,400	5.9
Neurological	186,100	5.4
Eyes	182,000	5.3
Ears	131,700	3.8
Mental deficiency ¹	114,100	3.3
Tuberculosis	89,100	2.6
Underweight, overweight, and other	68,600	2.0
Lungs	56,500	1.7
Feet	40,500	1.2
Abdominal viscera	39,300	1.1
Kidney and urinary	35,600	1.0
Teeth	34,900	1.0
Genitalia	34,600	1.0
Varicose veins	34,400	1.0
Endocrine	34,000	1.0
Nose	21,600	.6
Neoplasms	21,000	.6
Skin	20,700	.6
Gonorrhea and other venereal	16,000	.5
Hemorrhoids	13,600	.4
Mouth and gums	9,900	.3
Throat	3,400	.1
Blood and blood-forming	3,400	.1
Infectious and parasitic	3,400	.1
Nonmedical	38,200	1.1

¹ Includes registrants who failed to meet minimum intelligence standards from June 1, 1943, on. Some of these registrants have been reported as educationally deficient, others as mentally deficient.

EXHIBIT H (2)

Percent distribution of other disqualifying defects of rejected registrants, by principal cause for rejection—Preliminary

Principal cause for rejection	Other disqualifying defects								
	Number	Total	Eyes	Ears	Cardio-vascular	Mental diseases	Musculo-skeletal	Feet	Other
Total	1,160,500	100.0	15.7	3.5	4.3	6.7	10.3	5.0	54.5
Mental disease	191,400	100.0	18.6	4.2	5.7		9.9	3.3	58.9
Educational deficiency	180,100	100.0	21.9	3.6	1.2	13.6	12.4	4.1	43.2
Syphilis	122,300	100.0	21.2	6.1	6.1	6.1	9.1	12.1	39.3
Musculo-skeletal	73,700	100.0	11.5	3.3	3.8	6.1		6.1	69.2
Cardiovascular	67,900	100.0	17.6	1.5		10.8	9.8	3.4	56.9
Hernia	61,100	100.0	14.4	7	5.8	5.0	6.5	9.3	58.3
Neurological	67,900	100.0	19.2	4.1	4.1	16.4	7.5	44.6	
Eyes	65,200	100.0		6.3	5.8	11.0	13.9	5.8	57.2
Ears	46,200	100.0	19.7		2.0	7.9	9.8	6.9	53.7
Mental deficiency	61,000	100.0	9.8	8.2	1.6	8.2	4.9	4.9	62.4
Other	223,700	100.0	13.2	3.3	5.0	9.3	11.2	4.7	53.3

¹ Excludes registrants with more than 1 disqualifying defect who were rejected for nonmedical reasons or for manifestly disqualifying defects.

EXHIBIT I

Estimated distribution of discharges for physical and mental reasons (other than limited service, section X, discharges)

Neuropsychiatric	44.6
Psychoneurosis	32.0
Schizophrenia	4.1
Epilepsy	2.2
Neurological	2.2
Mental deficiency	1.3
Neurocirculatory asthenia	.6
Constitutional psychopathic state	.2
Alcoholism	.1
Other psychoses	.2
Other	1.7

Musculo-skeletal	11.1
Musculo-skeletal	7.4
Feet	3.2
Congenital abnormalities and malformations	.5
Infectious and general diseases	8.9
Arthritis	5.0
Diseases of the endocrine system	.8
Cancer and other malignant tumors	.2
Diseases of the blood and blood-forming organs	.2
Diseases not elsewhere classified	2.7

Cardiovascular	7.4
Organic heart disease	4.3
Hypertensive diseases	1.4
Varicose veins .....	.7
Hemorrhoids .....	.1
Coronary thrombosis, coronary embolism, and coronary sclerosis .....	.1
Other .....	.8
Gastro-intestinal	7.5
Gastric and duodenal ulcers	5.7
Hernia .....	.7
Other	1.1
Eyes, ears, nose, and throat	8.1
Ears	4.0
Eyes and annexa	3.3
Nose and throat .....	.8
Respiratory (excluding tuberculosis)	6.0
Genito-urinary (excluding venereal)	2.0
Veneral diseases	1.7
Syphilis	1.6
Gonorrhea .....	.1
Other	0
Tuberculosis	2.0
Traumatism .....	.7
Amputation of limb .....	.2
Fracture of bone .....	.1
Other .....	.4
All causes	100.0

EXHIBIT J

CIRCULAR NO. 293

WAR DEPARTMENT,

Washington, D. C., November 11, 1943.

Enlisted men—Utilization of manpower based on physical capacity: 1. Rescission of previous instructions: a. Circular No. 395, War Department, 1942, as amended by section II, Circular No. 404, War Department, 1942; section I, Circular No. 39, and section II, Circular No. 101, War Department, 1943; section III, Circular No. 161, War Department, 1943, as amended by section I, Circular No. 176, War Department, 1943; paragraphs 2 and 3, section III, Circular No. 189, War Department, 1943; and Memorandum No. W615-64-43, August 26, 1943, are rescinded.

b. All instructions and directives in conflict with the provisions of this circular are rescinded.

2. General policy: a. It is imperative that each enlisted man be assigned to the position in which he can render the maximum service. Classification, assignment, reassignment, and training are command functions which must be exercised energetically and continuously so that the skill, aptitude, physical qualifications, and capacity for development of the individual are used to the utmost.

b. Some assignments require enlisted men of unusual strength, stamina, and all around physical ability, but even in combat units there are many positions which can be filled by men of lesser physical attainments. Conservation and proper use of our manpower require that each enlisted man found in an assignment beyond his physical capacity be reassigned to a job within that capacity. Many enlisted men who are below current physical standards for induction are extremely valuable to the Army because of their training, experience, ability, and demonstrated capacity to render service in a specified assignment. The discharge of an enlisted man for physical reasons because he is incapable of serving in a physically exacting position when he may well render adequate

service in a less exacting assignment is a waste of military manpower and is prohibited. Such men will be retained in the service and will be given appropriate assignments even though they do not fulfill the minimum physical standards for induction under MR 1-9.

c. (1) Officers responsible for selection and dispatch of overseas casual replacements will select only those fully qualified physically to perform the duties of their military occupational specialties under field conditions. See paragraph 4a (6).

(2) Men of Table of Organization units dispatched overseas must be considered in the same way. At the time they were assigned to units these men were considered physically qualified to serve therein. Those found definitely not qualified should be removed as early as possible in the training period. As members of units arriving at a port of embarkation these enlisted men have been trained in their jobs, have proved their ability in their assignments, and have become part of the organization team. Though they may not meet the standards for individual replacements, they are considered fully capable of performing adequately in their current assignments unless they have suffered recent marked physical set-back or deterioration. The unnecessary removal of trained enlisted men from units immediately prior to departure for overseas is a flagrant example of wastage of military manpower and training, destructive alike to the morale of the individual and the efficiency of the unit.

d. The existence of a nonprogressive or remedial defect or disease which would disqualify a man for dispatch overseas will not be sufficient reason to return him to the United States from an overseas theater. Men whose defects are such that they can be remedied within the overseas command and those who can serve usefully in any assignment in overseas theaters, despite their defects, will be retained. Malaria alone, without incapacitating residual damage or sequelae, such as marked splenomegaly or cachexia, will not be a reason for return to the United States from overseas.

e. The discharge of men who can render effective service is prohibited. On the other hand, the retention of men unable to perform a reasonable day's work for the Army is wasteful. Therefore commanders and surgeons will exercise extreme care and judgment in arriving at a decision to discharge an enlisted man on physical grounds. It is essential that commanders exercising discharge authority give this matter their closest personal supervision so as to obtain the maximum benefit from available manpower. Enlisted men who are physically unable to render useful military service in any assignment that can reasonably be made available will be discharged immediately under the provisions of AR 615-360. If overseas, they will be returned to the United States for discharge.

f. Enlisted men will be assigned to the most active type of duty appropriate to their physical qualifications with due consideration to their civilian training and experience, education, intelligence, aptitude, leadership ability, and acquired military occupational qualifications. All commanders and those staff officers concerned with personnel must study this matter continuously, for it never remains static.

g. Each of the three major forces must make the best use of its physically handicapped enlisted men. Enlisted men will not be transferred from one major force to another solely by reason of physical condition without the concurrence of the commanders concerned, except as directed by the War Department. Enlisted men of the Army Ground Forces who cannot be used in any unit or installation thereof by reason of physical handicap, but who are considered capable of rendering useful service elsewhere, will be reported to The Adjutant General for reassignment.

3. Use of term "limited service": The use of the term "limited service" pertaining to enlisted men is discontinued. This term is used only at armed forces induction stations where similar terminology is used by Selective Service and the Navy. Discontinuance of the term "limited service," however, does not mean that men heretofore classified as "limited service" are to be discharged or that the Army will not continue to induct and use men who do not meet the full standards for general service. No man will be discharged for physical disability if he meets the standards for induction for limited service currently prescribed in MR 1-9.

4. Physical standards for dispatch overseas: a. Enlisted men will not be dispatched overseas who have any of the following defects:

(1) Pronounced psychiatric disorders. Men with other psychiatric disorders, except mild psychoneuroses, transient in character, will not be sent overseas with combat units or as casual replacements.

(2) Hernia, except small incisional or umbilical. Moderate impulse produced by cough at the inguinal ring or at the site of a scar is not necessarily indicative of hernia. Diagnosis of inguinal hernia must be based upon demonstration of a hernial sac.

(3) Class I dental defects, except those individuals whose only defect is the need of prosthetic replacements, provided that, despite the missing teeth, they have been able to follow a gainful occupation in civil life and histories indicate that restoration of the missing teeth is not essential.

(4) Enucleation of an eye with or without prosthesis.

(5) Individuals who have suffered from tropical diseases causing residual damage or sequelae, or tropical diseases, such as filariasis, which are liable to exacerbation or serious aggravation upon reinfection. This does not include uncomplicated malaria, except that individuals who have or have had a clinical attack of malaria or in whose blood malaria parasites are found will not be sent overseas until 6 months subsequent to the date of recovery from symptoms or of disappearance of parasites from the blood.

(6) Defects below the minimum physical standards for induction as provided in MR 1-9, as amended, except that enlisted members of units who have defects below the minimum standards for induction, other than those listed in (1) through (5) above, and who have been trained in and have performed adequately in their current assignments, or who are believed capable of serving usefully therein, will be retained in their units.

b. Enlisted men not qualified for overseas service as specified in this circular will be removed from units prior to departure from home stations. Examinations of men in units at staging areas will be limited to necessary physical inspections to determine the existence of communicable disease, venereal disease disqualifying under the provisions of e below, and to locate and remove those whose physical condition has undergone a marked and disqualifying deterioration subsequent to the screening at home station. The removal of men from units at staging areas immediately prior to departure overseas must be reduced to a minimum.

c. Enlisted men with physical defects which disqualify them for overseas service will not be reassigned to overseas replacement depots, casual shipments, or tactical units of the field forces which have been alerted for overseas service. They will be reassigned to installations, activities, or units assigned to duty in the continental United States until their defects are remedied. This does not prohibit the appropriate reassignment to new or low priority units of casual replacements disqualified under a (6) above, but who otherwise meet the requirements for overseas shipment as members of units.

d. When disqualifying defects are discovered, appropriate notation will be made on Soldier's Qualification Card under "Remarks" (par. 28, W. D., A. G. O. Form No. 20) and on service records (W. D., A. G. O. Form No. 24) under "Remarks Administrative." Prompt initiation and early completion of action to remedy correctable defects is the responsibility of every commander.

e. (1) When otherwise qualified enlisted men with venereal diseases are eligible for overseas shipment except for those with the following conditions:

(a) Chancroid or undiagnosed penile ulcers.

(b) Primary and secondary syphilis unless two injections of an arsenical have been administered.

(c) Sulfonamide-resistant gonorrhea as determined by failure to respond to one course of treatment.

(d) Gonorrhea with complications such as epididymitis, arthritis, and severe acute prostatitis.

(e) Granuloma inguinale or lymphogranuloma venereum.

(2) When penicillin is available on transports, all individuals with gonorrhea, except those with complications listed in (1) (d) above, may be shipped.

5. Uniform standard and procedures to prevail: Commanders will require officers under their jurisdiction to read this circular within 48 hours of its receipt at the station. They will then conduct the conferences and inspections necessary to insure that all concerned are acquainted with these policies and that a uniform understanding of standards and procedure is achieved.

[A. G. 220.4 (6 Nov. 43).]

By order of the Secretary of War:

G. C. MARSHALL,
Chief of Staff.

Official:

ROBERT H. DUNLOP,
Brigadier General,
Acting The Adjutant General.

ADDRESS BY HON. ALFRED M. LANDON AT REPUBLICAN PARTY COMMITTEE MEETING

[Mr. CAPPER asked and obtained leave to have printed in the RECORD an address by Hon. Alfred M. Landon, of Kansas, delivered December 13, 1943, at a meeting of the Republican Party Committee at Milwaukee, Wis., which appears in the Appendix.]

COMMENT ON PROPOSED NATIONAL- SERVICE LEGISLATION

[Mr. HOLMAN asked and obtained leave to have printed in the RECORD a letter addressed to him commenting on proposed national-service legislation as recommended by the President, which appears in the Appendix.]

THE FOOD-STAMP PLAN—EDITORIAL FROM WASHINGTON STAR

[Mr. AIKEN asked and obtained leave to have printed in the RECORD an editorial entitled "Food Stamp Plan," published in the Washington Evening Star of January 10, 1944, which appears in the Appendix.]

THE PRESIDENT'S MESSAGE—EDITORIALS FROM THE OMAHA (NEBR.) WORLD- HERALD

[Mr. BUTLER asked and obtained leave to have printed in the RECORD two editorials from the Omaha (Nebr.) World-Herald of January 12, 1944, one entitled "Draft-Everybody Law" and the other "The Unwritten Paragraph," which appear in the Appendix.]

A NATIONAL LABOR CODE—ARTICLE AND LETTER BY WALTER W. CENERAZZO

[Mr. BREWSTER asked and obtained leave to have printed in the RECORD an article entitled "A National Labor Code," written by

Walter W. Cenerazzo and published in the American Watch Worker for November 1943, and also a letter from Mr. Cenerazzo, which appear in the Appendix.]

POST-WAR PLANNING—LETTER FROM GEORGE GELDER

[Mr. LANGER asked and obtained leave to have printed in the RECORD a letter relating to post-war planning, from George Gelder, of Berkeley, Calif., which appears in the Appendix.]

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed a bill (H. R. 3916) to permit the construction and use of certain pipe lines for pneumatic tube transmission in the District of Columbia, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 2207. An act to amend the Nationality Act of 1940;

H. R. 3611. An act to authorize the appointment of court reporters in the district courts of the United States, to fix their duties, to provide for their compensation, and for other purposes; and

H. R. 3691. An act to permit the construction, maintenance, and use of certain pipe lines for steam-heating purposes in the District of Columbia.

HOUSE BILL REFERRED

The bill (H. R. 3916) to permit the construction and use of certain pipe lines for pneumatic tube transmission in the District of Columbia was read twice by its title and referred to the Committee on the District of Columbia.

VOTES FOR SOLDIERS

Mr. TYDINGS. Mr. President, so far as I can learn, every Member of the United States Senate and of the House of Representatives desires our servicemen and those attached to our service forces to have the opportunity to cast a valid ballot in any Federal or State election held during the course of this war.

No one opposes this proposition. Everyone, both in the Congress and out, realizes the overwhelming justice of affording the opportunity to vote to those who are so gallantly and sacrificially meeting the enemy on the battlefields everywhere. So overpowering is the justice of the soldiers' right to vote that no argument to support the proposal need be made. No argument can be made against it.

Therefore, we need concern ourselves only with finding the best means, and the method which will be unquestionably valid in law, to accomplish this desired result.

Anyone familiar with the law and the facts realizes that, although our fellow citizens in the armed services have every right to vote, they will not actually enjoy this right unless we draw a law which will stand the test of the courts, and the election laws, both national and State, governing elections under existing conditions.

There are some people who hold that in time of war the Constitution is so elastic that anything at all can be done under the guise of the emergency. This argument is so fallacious that a few illustrations will show it is not tenable as a matter of law. For example, section 1 of amendment 15 of the Constitution of the United States, provides:

The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of race, color, or previous condition of servitude.

Even in time of war that express provision of the National Constitution can not be set aside by any power on earth.

Amendment 17 of the Constitution of the United States provides:

The Senate of the United States shall be composed of two Senators from each State, elected by the people thereof, for 6 years; and each Senator shall have one vote. The electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislatures.

Even in time of war that express provision of the Constitution of the United States cannot be set aside by any power on earth.

Taking these two parts of our National Constitution to drive home my argument, let me point out that amendment 17, which I have just read, says:

The electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature.

Can we, by an act of Congress in time of war, set aside that express provision of the National Constitution? If we can, then we could likewise set aside in time of war that other express provision of the National Constitution which I have heretofore read, which says:

The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of race, color or previous condition of servitude.

Thus, if a part of the seventeenth amendment, dealing with the qualification of voters, can be set aside in time of war, even though expressly set forth in the Constitution of the United States, then that other provision of the Constitution contained in amendment 15 could likewise be set aside, and persons could be denied the right to vote because they were white or black, or because they were Negro or Aryan. It seems to me that this argument is conclusive, to wit, that the express provisions of the Constitution cannot be set aside even in time of war by an act of Congress.

If the opposite conclusion is reached, then Congress, in time of war, could extend the term of the President indefinitely or extend the terms of its own Members indefinitely, even though the express provisions of the Constitution of the United States limit the terms of the President, United States Senators, and Members of the House of Representatives.

Again, amendment 7 provides:

In suits at common law, where the value in controversy shall exceed \$20, the right of trial by jury shall be preserved.

If a part of amendment 17 can be set aside in time of war by an act of Congress, then the express provisions of the amendment I have just read, giving persons the right to trial by jury where the "value in controversy shall exceed \$20," could likewise be set aside.

Amendment 6 provides:

In all criminal prosecutions the accused shall enjoy the right to a speedy and public trial, by an impartial jury of the State and district wherein the crime shall have been committed; * * * to be confronted with the witnesses against him; to have compulsory process for obtaining witnesses in his favor; and to have the assistance of counsel for his defense.

If the express provisions of amendment 17, which says that "the electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislatures," can be set aside by act of Congress in time of war, then the logic is equally clear that, in time of war, Congress, notwithstanding the express provisions of amendment 6 of the National Constitution, can by law deny a person accused of a criminal offense the right to "enjoy the right to a speedy and public trial by an impartial jury," and so forth.

Certainly if in time of war Congress can disregard the express provisions of the Constitution of the United States in one case it is irrefragably true that Congress could then disregard the express provisions of all other parts of the Constitution of the United States, which, carried to its conclusion, would mean that the Constitution of the United States is suspended in time of war.

Our Supreme Court has repeatedly said we live under the same Constitution in war that we live under in peace. Its express provisions cannot be nullified. The term of President cannot be extended by act of Congress; taxes cannot be laid by the President; Congress cannot appoint persons to the Executive Office; in criminal cases the right of a trial by jury cannot be suspended; the right of free speech, free press, and the right of the people peaceably to assemble and to petition their Government for a redress of grievances cannot be suspended in time of war.

The express powers in the Constitution give the Congress the authority to declare war, and, inherently, the right to prosecute war when declared, but it must prosecute it without nullifying the Constitution of the United States.

Mr. President, I shall be glad to be interrupted at any time by any Senator who wants to take issue with any of these statements.

To reiterate, we live under the same Constitution in war as we do in peace. If this were not so, if any express part of the Constitution could by act of Congress be nullified in time of war, every other part of the Constitution could likewise be nullified in time of war.

To put it differently, if we are fighting to preserve the Constitution of the United States, its liberties and safeguards, for our people, we cannot preserve it by setting it aside in whole or in part.

While it cannot be done, yet assuming that it could be done, there would be no

difference then between the conduct of the American Government and the conduct of the Hitler government; both would be ruling by decree, without restraint or restriction or limitation upon any of its acts.

If our servicemen are fighting in far-off places to destroy the Constitution of the United States and all that it holds for them, there is not one of them who knows it. Yet, while they are fighting in far-off places for America, for its Constitution, and for all that it means, there are those who are seeking to set aside our democratic and constitutional processes and erect instead a government on a Hitlerian model, by denying to our servicemen the Constitution for which they are contending.

Therefore, while all of us want all the men and women in the armed forces to have the right to vote, we must legislate to achieve that result within the express provisions of the Constitution of the United States, for it is the same Constitution in time of war that it is in time of peace. If we do not legislate in this fashion the law will be illegal. More than that—it can be challenged in every precinct, election district, and State in the Union. In hundreds of precincts the votes of the soldiers will be thrown out and not counted. That is the possibility which overzealous advocates of fly-by-night legislation are seeking to put over on the gallant men and women of our armed forces. We must not let such a debacle at the ballot boxes take place. We must nip this deception in its budding. We must give the soldiers the right to vote and we must do it in such fashion that no legal question about the validity of that law can be raised or sustained. To do less than this is to embrace treachery to men who are dying in far-off battlefields even as I speak.

Now let us see what we can do by national law to confer the right to vote on the members of our armed forces.

Section 2 of article I of the Constitution says:

The electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature.

Those are the words of the National Constitution which I think I have proved conclusively are just as much in force now in time of war as they were 10 years ago in time of peace. That provision is express; it is definite; there is no room for argument about it. The Constitution of the United States says:

The electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature.

If they do not have the qualifications which the voters of Maryland or Mississippi or Illinois or any other State in the Union must have in order to vote for the members of their own State legislatures, then the Constitution of the United States says their votes cannot be counted for President, for Vice President, for a Senator, or for a Member of the House of Representatives. They must have the qualifications necessary to vote for the members of their own State legislature,

and unless they have those qualifications they cannot cast a valid vote, says the Constitution of the United States, for President, Vice President, a Senator, or a Member of the House of Representatives.

Every Member of the Senate is a State officer. The people who elected me did not come from Mississippi or Michigan or Colorado. They had to come from Maryland, and they had to be qualified to vote for the members of the Maryland State Legislature before they could cast a legal ballot for a Senator in the State of Maryland. If persons who did not have such qualifications as I have enumerated attempted to cast ballots, every Member of this body knows that they were not allowed to vote because they were not qualified.

Therefore, our problem is a simple one: How can we make certain that the soldiers from any State, though absent in the armed forces, can cast a legal ballot, in accordance with the constitutional provision of our country which I have just read?

Let us look to another part of the Constitution of the United States. Article I, section 4, says:

The times, places, and manner of holding elections for Senators and Representatives, shall be prescribed in each State by the legislature thereof; but the Congress may at any time by law make or alter such regulations.

Thus, we do have the right to provide the time, place and, under a liberal construction of the seventeenth amendment, the manner of holding elections for Senators and Representatives. We do not have the power to qualify the voters who shall elect such Senators and Representatives, for the Constitution says that the voters in each State shall have the qualifications requisite for voters of the most numerous branch of the State legislature.

The bill I have introduced, copies of which Senators may have if they desire, is the so-called Lucas-Green soldiers' vote bill, rewritten and amended so as to bring that bill under the express provisions of the Constitution of the United States.

The most important change in the Green-Lucas bill occurs on page 4, line 13, subsections (b) (1) and (2).

Mr. LANGER. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. LANGER. Where can Senators obtain copies of the bill?

Mr. TYDINGS. The bill is the one I have introduced. Copies have been distributed to Senators' desks, but I do not think the Senator got one. I am glad to hand him one; and if any other Senator would like a copy, I shall be glad to have further copies distributed.

Mr. President, here is the whole crux of the controversy which in my humble way I have attempted to reconcile so as to carry the right of the soldiers' vote beyond all question as to validity, so as to make sure they will have the right to vote. Let me read the main change which, among others, I have suggested in the Green-Lucas bill. As written and amended by me, these two sections now read as follows—this is my

version of sections (b) (1) and (b) (2), not the Lucas-Green version:

In time of war and for 6 months after the formal declaration of the conclusion thereof, every individual specified in subsection (c)—

That is, every soldier and sailor—

who is absent from the place of his voting residence shall be eligible and qualified to vote in any election for United States Senators and Representatives in Congress whenever the Governor of any State or the adjutant general of any State shall certify to the Commission—

The United States War Ballot Commission—

that such individual is entitled to vote for such officers in accordance with the provisions of this title.

The next provision is similar to that one.

Mr. OVERTON. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. MAYBANK in the chair). Does the Senator from Maryland yield to the Senator from Louisiana?

Mr. TYDINGS. I yield.

Mr. OVERTON. I do not exactly understand what is intended by the phrase "entitled to vote * * * in accordance with the provisions of this title." Why not say "in accordance with the provisions of the State law"?

Mr. TYDINGS. The Governor would have to certify the soldier's qualifications in accordance with the law of his own State.

Mr. OVERTON. In accordance with the State law?

Mr. TYDINGS. Only the Governor could do it in accordance with State law. I have no objection to adding those words.

Mr. OVERTON. Very well.

Mr. TYDINGS. But I attempted to phrase it so as to pull both ends of the controversy together and, I hope, in a thoroughly constitutional manner.

The next section, dealing with the President and Vice President, reads in similar language:

In time of war and for 6 months after the formal declaration of the conclusion thereof, every individual specified in subsection (c) who is absent from the place of his voting residence shall be eligible and qualified to vote in any election for electors of President and Vice President of the United States, whenever the Governor of any State or the adjutant general of any State shall certify to the Commission that such individual is entitled to vote for such officers in accordance with the provisions of this title.

Before I proceed further, let me point out what that means. It simply means that if the State of Maryland passes a law qualifying its absent soldiers and sailors to vote, as I know and believe it will, and if the Governor certifies to the war ballot commission that that is the fact, the soldiers and sailors can vote, their ballots will come back to the respective precincts and districts in Maryland, they will all be counted, and there will not be any question about constitutionality, national law, or State law; it will all be there. Every soldier and sailor will have the mental satisfaction

of knowing there is no dispute about this matter.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. CONNALLY. Does that imply that the Governor will have to submit the names of those eligible?

Mr. TYDINGS. No; he would not have to do that necessarily. He would simply certify that the law provided in blanket as to all those of such and such an age, and so forth.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. TYDINGS. I yield.

Mr. LANGER. I wonder why the Senator phrased it in the alternative: "The Governor or the adjutant general." Suppose the State law provided that only the Governor could do it?

Mr. TYDINGS. If the Governor could do it, obviously he would; but that language was inserted for the reason that I was advised that in many States the adjutant general has the names and addresses and other detailed information concerning those who have gone from those States into the armed forces; and in order to relieve the Governor of the detailed work, I inserted, with some reluctance, the phrase "adjutant general." I would have no objection to striking it out; but, obviously, the adjutant general would not act unless the Governor directed him to do so. However, I am not quarreling over the certification. I am endeavoring now to get at the point which is in controversy.

Under these propositions as read, the Government of the United States recognizes the right of every man and woman in our armed forces during this war to vote a valid and legal ballot whenever the Governor or the adjutant general certifies to the United States war ballot commission that such person is entitled to cast an absentee ballot.

Thus, we live up to the express provisions of the Constitution of the United States; thus, we qualify the men and women in our armed services to cast a legal ballot in accordance with the expressed provisions of the Constitution of the United States. Thus, we make sure that the men and women in the armed services shall have the right to vote. Thus, we raise the whole matter out of the realm of political and legalistic demagogery and chicanery, and bottom it on the express provisions of the Constitution of the United States, which must control, because it is the supreme law of the land. In such fashion no man on earth can successfully challenge or deny the absent soldiers, sailors, and others in our armed forces the right to vote in both National and State elections.

I have altered the so-called Green-Lucas bill in other respects to conform with the philosophy which I have presented to the Senate today.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. VANDENBERG. I take it that none of the questions which the Senator is now discussing would be involved at

all if the soldier voted under title II, and the State had provided a totally adequate absentee ballot.

Mr. TYDINGS. The Senator is correct. What I am attempting to do—and I thank the Senator for his suggestion—is, above everything else, to have no question that when a ballot is voted by a soldier it will not be thrown out in an election precinct or district because Congress has attempted to do something which it had no right to do.

Mr. GILLETTE. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. GILLETTE. If I correctly interpret the Senator's explanation and the language, the certification of a Governor or adjutant general would be final and conclusive as to the right of any individual to vote.

Mr. TYDINGS. That is correct.

Mr. GILLETTE. It would rest entirely on that interpretation and sound discretion in making the certification.

Mr. TYDINGS. That is correct. In other words, the Governor is the enforcement or executive officer of the State. Someone must transmit to the war ballot commission the authorization or certification as to whether or not these men are qualified. I take it that the only way that could be achieved would be through the Chief Executive. However, further answering the Senator's question, which I shall anticipate a little, in the Green-Lucas bill, on page 18, and in my bill, it is provided what ballots shall be valid, and who shall say that they are valid. The judges of the validity of the ballots are the election officials in the precincts. Obviously it would get back to the place where the power originated. I wish to discuss that question when I finish the presentation of the formal statement.

Mr. GILLETTE. Would it be the Senator's interpretation, when the matter came before the local election board for determining the validity of the ballot, that a certification made by the Governor would be controlling, and could not be overruled?

Mr. TYDINGS. Will the Senator allow me to postpone the answer to that question for 5 minutes? I am coming to it.

Mr. VANDENBERG. Mr. President, will the Senator further yield?

Mr. TYDINGS. I yield.

Mr. VANDENBERG. I should like to ask the Senator one further question. I am not quite sure that I understand the Senator's answer to the question of the Senator from Texas [Mr. CONNALLY]. Am I to understand that this is to be a blanket certification by the Governor? I do not understand how that could cover the individual eligibility of the voter.

Mr. TYDINGS. I see the Senator's point. Taking the State of Maryland as an example, the State of Maryland has not yet enacted such a law. I would assume that the Governor of Maryland, the Governor of Michigan, or the Governor of any other State would simply say, "I am authorized to state that all persons now in the armed forces who will be over

21 years of age on the date of such and such an election are qualified to vote under the laws of this State for the most numerous branch of the State legislature." It might and probably would be necessary to send the commission the names, addresses, and congressional election districts of the service men and women from Maryland.

Mr. VANDENBERG. Then I do not understand the Senator's answer to the Senator from North Dakota, that he has included the adjutant general because the adjutant general has all the information as to the names and addresses.

Mr. TYDINGS. I say the Governor or adjutant general.

Mr. VANDENBERG. The Senator's explanation to the Senator from North Dakota was that he included the adjutant general because the adjutant general is the one who has all the names and addresses.

Mr. TYDINGS. That is correct.

Mr. VANDENBERG. Which carries the implication that there must be further detailed certification.

Mr. TYDINGS. I will confess very frankly that it is not my desire to build a certification with such exactness that it might prove to be a technical hazard. I assume that the war ballot commission, upon the general or blanket certification, would ask the Governor of Maryland if he could give to the war ballot commission the individual names and other pertinent information. In the case of Maryland, I believe that could be done; but I was afraid that if I should draw the provision so strictly that that must be done in every case, it might cause many otherwise eligible soldiers to be disfranchised.

Mr. VANDENBERG. The important thing to me is to determine whether or not the Senator is proposing to put upon the Governor or the adjutant general of each State responsibility for inquiring into the detailed individual eligibility of each voter, and to certify him.

Mr. TYDINGS. In my opinion, that is the point of my proposal, except that the war ballot commission might take a liberal view of the certification if it had the pertinent detailed information already available.

Mr. HOLMAN. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. HOLMAN. I inquired from the secretary of state of my State, who is in charge of elections, what the status of Oregon is, and he has advised me that no further legislation on this subject is needed in Oregon, provided the soldiers and sailors in war areas can obtain the ballots.

Mr. TYDINGS. That may be true.

Mr. HOLMAN. With the Senator's permission, I should like to place in the RECORD at this point as a part of my remarks, a copy of the telegram which I have received from the secretary of state of Oregon.

Mr. TYDINGS. I shall be glad to have the Senator do so.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

JANUARY 13, 1944.

Senator RUFUS HOLMAN,
Senate Office Building,
Washington, D. C.:

Re yours of the 12th. As far as Oregon residents in service overseas are concerned we can vote them under existing State and Federal laws, if their commanding officers will definitely make an effort to get war ballot applications to them, as contemplated and provided in Public Law No. 712. Then extend free air-mail privilege to these people in transmitting envelopes bearing election material. The State of Oregon will air mail from here to overseas on our own account and am sure servicemen can get their ballot back in time to be counted if they are given free air-mail privilege. You may quote me if you so desire.

ROBERT S. FARRELL, Jr.

Mr. TYDINGS. Let me say that there may be States which are already qualified under this provision. It may be that when this bill is further considered some details will have to be changed. I am offering it as a substitute, in the form of an amendment to a bill which I am afraid would not do what its sponsors hope it would do. I am addressing myself more to that point than to some detail which may have to be altered, although I have attempted to draft it comprehensively so far as possible.

Mr. BURTON. Mr. President, will the Senator yield?

Mr. TYDINGS. I shall be glad to yield in a moment. I will yield to all Senators who may wish to ask questions.

From all sides we hear the cry go up, "Give the soldiers the right to vote. They are entitled to it." I agree with these sentiments most heartily. The question is, Shall we give them the right to vote in such fashion that that right cannot be successfully challenged in any quarter, or shall we, in the face of the express provisions of our National Constitution, attempt to give them that right and leave it under the cloud of uncertainty, in the sure knowledge that in many precincts and districts and States their votes will be, and can be, successfully challenged and not counted.

I want to issue a word of warning. Unfortunately, the evil fruit of an invalid soldier-vote law will not be known to the people of this country until after the next general election. That word of warning is this: If we enact an invalid law which purports to qualify the absent soldiers with the right to vote, but which in effect will not so qualify them with that right, once that invalid law is enacted there will be election turmoil in many of the States; the soldiers will learn that they do not have the right to vote; and those who have forced this flim-flam on them will be held accountable, not only by the absent soldiers and sailors of the armed forces, but by the civilian men and women from Maine to California. If we insist on sowing the wind, we should not expect to escape the whirlwind. I do not believe there is one Member of Congress who will attempt to challenge in substance the validity of the proposition for which I am speaking. All well know that this measure would stand the test of any court in America, that it is clearly within the ex-

press provisions of the Constitution of the United States, and that no Governor or State legislature can, when Congress passes it, refuse to do any necessary act to confer upon our absent servicemen the right to cast a legal ballot. This is the only sure, certain, and valid way. Those who insist on tearing up the Constitution and, driven by ill-advised expediency, seek to achieve illegally what can easily be achieved legally, will pay a price in condemnation by the mothers and fathers of this country greater than any ever paid before by a Member of this body.

Now is the time to stop, look, and listen, for already attorneys general of many States have questioned the validity of the proposals which have heretofore been before us.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. MILLIKIN. I thought the Senator developed very ably the fact that our own oaths would require us to throw out ballots in the event of a contest in the Congress, if the qualifications of voters were not in accordance with the laws of the State regarding the qualifications of voters for the election of persons to the most numerous branch of the legislature.

Mr. TYDINGS. That is correct.

Mr. MILLIKIN. Let me remind the Senator also that article VI of the Constitution places upon our State executives and on the members of the judiciary of our States, as well as on members of the State legislatures, the duty to obey the Constitution of the United States.

Mr. TYDINGS. That is true. Let me not only endorse what the Senator has said, but suggest that the election of President may be thrown into the House of Representatives because of the turmoil created throughout the country, which would make a sham, a farce, and a pretense of the democracy about which we hear so much.

Mr. CONNALLY. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. EASTLAND in the chair). Does the Senator from Maryland yield to the Senator from Texas?

Mr. TYDINGS. I yield.

Mr. CONNALLY. In his interesting address the Senator from Maryland may have covered the point, but I should like to propound to him a question. Is it not true that article I, section 2, of the Constitution, which fixes the qualification of the voter, fixes not only a State qualification but that it becomes a Federal qualification as well?

Mr. TYDINGS. The Senator is correct.

Mr. CONNALLY. The Constitution makes the requirement that the voters shall have the same qualifications as the voters for the most numerous branch of the legislature in the State. They are not merely State qualifications, but are Federal qualifications required by the Constitution of the United States.

Mr. TYDINGS. The Senator is absolutely correct.

Mr. CONNALLY. And the only obligation of the Congress—

Mr. TYDINGS. Is to live up to them.

Mr. CONNALLY. As stated by the Senator from Colorado, if the matter came before the commission, or before the Senate, or the House in any election contest, we would have to reject the ballot or swallow our oath to support the Constitution.

Mr. TYDINGS. The Senator is not only correct but in his State a voter might have the qualifications set forth in the Constitution to elect a Member of Congress and possess other qualifications to vote for a Governor of his own State, and the qualifications in either case might be utterly different.

Mr. BAILEY. Mr. President, will the Senator yield?

Referring to section 3, paragraph 3, on page 5, also paragraph 3—

Mr. TYDINGS. Will the Senator defer his inquiry for about 5 minutes until I finish? Then I shall be glad to yield to him.

Mr. BAILEY. Very well.

Mr. TYDINGS. Mr. President, my plea today—and I believe my arguments are irrefutable—is to give the men of our armed forces the right to vote, and give it to them in such fashion that it cannot be called into question. Do not, I beseech, while they are dying on so many far-off battlefields, give support to a measure which, to say the least, may result in many cases in their having no ballot to cast at all, after they have been led to believe they have it. Let us not be parties to placing ourselves in line with this palpable deception. We are now in the month of January. Those who advocate, the Constitution notwithstanding, that an invalid law be passed may reap the plaudits of the moment from a multitude of uninformed persons as they stalk about the stage of America purporting to be the authors and benefactors of a so-called soldiers' vote bill, but time will call them to account as surely as the stars shine. Lawsuits, injunctions, and rulings by our law authorities are likely to show that their honors are not true honors and that the voting rights which they purported to give to the absent soldiers and sailors cannot be realized. Then the day of reckoning will be here. And, finally, remember that election laws as to qualifications will likely be fought out in the State courts, for this dubious measure will plunge the country into the intangible field of the conflict between National and State prerogatives and powers. Why, then, with the election 10 months away, should we take short and ill-advised cuts? Why not take the certain road, the sure road, by extending to the absent service men and women within the full limit of our power every right which we can confer upon them to cast a ballot that will be counted?

This is no time to pass dubious or questionable legislation purporting to settle just and righteous matters such as the soldiers' vote. This is the time to pass certain and sure legislation.

I respectfully submit that if this substitute is adopted every soldier and sailor in America may have the certain and

sure knowledge that the Congress of the United States has passed a good and valid voting law, and when the next elections come they can cast their ballots for any candidate they please in the full confidence that their ballots will be legal, and that even though they are thousands of miles away their choices will be recorded in the ballot boxes in the same fashion they would be recorded were these gallant Americans at home in the places where they had been living.

Finally, to show that those who are advocating the original bill are skating on the thinnest of ice, allow me to read from the latest version of the Green-Lucas bill a short section entitled 114 (a) on page 16 which lets the cat out of the bag. The provision to which I refer is under the title "Validity of Ballots." It reads as follows:

The commission—

That is the national war ballot commission—

shall have no powers or functions with respect to the determination of the validity of ballots cast under the provisions of this title; such determination shall be made by the duly constituted elected officials of the appropriate districts, precincts, counties, or other voting units of the several States. Votes cast under the provisions of this title shall be canvassed, counted, and certified in each State by its proper canvassing boards in the same manner, as nearly as may be practicable, as the votes cast within its borders are canvassed, counted, and certified.

There is the answer, Senators. The answer is simply this: After we have marched up the hill, after we have had all the flag waving, after we have said that every man in the armed forces over 21 years of age is eligible and qualified to cast a ballot, we have not anything to say as to whether, when that ballot is cast, it is good. Why? Because the authors of the bill say that every ballot shall meet the test of the election precinct officials appointed by the Governor of Oklahoma, Maryland, Colorado, or of whatever State it may be. Why was that provision put into the bill? Because all election officials are appointed in accordance with State law. They are the sole judges of the eligibility of the citizens of the State who appear to cast a ballot.

Let us assume, for example, that the State of X had laws which did not permit absent soldiers to qualify in accordance with the constitutional provision which I have read. Let us assume further that the soldiers from that State vote and their ballots come back to the election precincts and districts of that particular State of X. What happens? The judges who are sworn to uphold the laws of that State say in effect, "This man is not on the registered list. He is not on the list of qualified voters. The State of X has never put him there. Therefore his ballot goes out." Who is going to challenge them? It is a matter exclusively under the State law. How are we going to get it into the Federal courts, and how are we to obtain a determination of the question, even if we can bring it before the court, in time to ascertain which is right, the national election law or the State law?

Let me cite another example, and refer to the senior Senator from Maine, the acting minority leader. Who voted for him? The people of Maine. What people of Maine could vote for him? Only those who were qualified to vote for the members of his own State legislature. Could anyone who had failed to register go to the polls on election day and vote? No. They had to be on the list. The judge turned to his book to see whether they were on the list. If they were not on the list they might have been next to Almighty God in importance, but they could not cast a vote.

Senators, this is the give-away of the whole bill. I retain that provision in my bill because the whole philosophy of the substitute I have offered is to keep it within the Constitution of the United States; and that means that the States must qualify the absent soldiers. However, in the remainder of the bill ample and abundant machinery is set up to facilitate, aid, and help in every way the transportation of the ballots, their voting, and their return to the places where they can legally be counted.

Mr. CONNALLY. Mr. President—

Mr. TYDINGS. I yield to the Senator from Texas.

Mr. CONNALLY. The Senator has pointed out very clearly that the responsibility for the qualifications is on the States.

Mr. TYDINGS. That is correct.

Mr. CONNALLY. Does not this whole question involve the responsibility for the qualifications?

Mr. TYDINGS. Yes.

Mr. CONNALLY. And should not the States enact whatever legislation may be necessary to relax the requirements, instead of Congress, which has nothing on earth to do with it, trying to do it for the States?

Mr. TYDINGS. The Senator is correct.

Mr. CONNALLY. Should not the States meet their obligations and their responsibilities and should we not commit the matter to them, and say, "Here, it is up to you to do this?"

Mr. TYDINGS. Yes. "We have done all we can do, and it is now up to you to qualify the absent voters."

Mr. CONNALLY. Every soldier is a citizen both of the State and of the Nation in one sense, and if anybody is mistreating him it is the people in his own State of which he is a citizen, and there is where we ought to insist that this obligation be performed.

Mr. TYDINGS. That is correct. I agree with the Senator.

The Senator from North Carolina [Mr. BAILEY] asked me a question and courteously deferred while I finished a certain part of my argument. I now yield to him.

Mr. BAILEY. I go back to page 5, paragraphs 2 and 3, in which the proposed legislation undertakes to vest in the Governor or adjutant general power as to the qualifications of an absentee voter, being a soldier or a sailor. Does not that violate the principle upon which the Senator has predicated his proposed legislation? The objection to the bill which I will call the Green-Lucas bill or the

Lucas-Green bill, for which this is proposed as a substitute, is that that bill proposes to nullify the State laws. I am opposed to States nullifying Federal laws and I am equally opposed to the Federal Government nullifying State laws. But the provision in the substitute that "whenever the Governor of any State or the adjutant general of any State shall certify to the Commission that such individual is entitled to vote" interferes with the machinery set up by the States.

Let us take an illustration. It happens that I am in the clear about it, for the Legislature of North Carolina, in session about a year ago, passed an act very fully providing for voting for the soldiers and their qualifications to vote in the election, not in the primary. The Legislature of North Carolina provided how they might be registered, and as I recall, created a commission that would be empowered to register them under proper circumstances. It provided for their voting. We have no poll-tax qualification in North Carolina, but still we do have the qualification of age, the qualification of domicile, the qualification of a first voter with respect to taking an oath to support the Constitution. We cannot have the Governor of the State judge en masse the qualifications.

Mr. TYDINGS. The Senator has misinterpreted, I think, the amendment. I have no idea of doing that at all. Obviously there must be some official of a State who will notify the War Ballot Commission of what the State law is dealing with such matters.

Mr. BAILEY. What would be the objection to having the War Ballot Commission upon receiving a ballot from an absentee soldier send it to the secretary of state in the respective States and having the secretary of state in the respective States send the ballot to the judge of the election of the county?

Mr. TYDINGS. That is provided in the bill I have introduced.

Mr. BAILEY. If that is so there is absolutely no necessity for the Federal Government authorizing the Governor finally to determine the qualifications of the voter.

Mr. TYDINGS. The Governor does not finally determine who is eligible to vote. Suppose a great mass of men vote and get ballots with no certification and those ballots come back and finally go down to the precincts and are there thrown out. The purpose of my proposal is not to have any soldier vote whose ballot is not going to be counted.

Mr. LODGE. Mr. President, will the Senator yield to me along that line?

Mr. BAILEY. If the Senator will pardon me a moment, a certification by the Governor could not prevent the judges of election from throwing out ballots.

Mr. TYDINGS. That is correct.

Mr. BAILEY. But, on the other hand, the judges of election are not going to do anything like that. They will resolve every doubt in favor of the absent soldier.

Mr. LODGE. Mr. President, that is why I should like to ask the Senator whether his object would not be served by simply saying:

In time of war every individual specified in subsection (c), qualified to vote by absentee

voting ballot under the laws of the State of his voting residence.

Why not make such a statement as that?

Mr. TYDINGS. I have no pride of authorship in the mere detail of how the proposition is stated. If the Senator had been present during the early part of my remarks he would have heard me say that the burden of my effort was to devise a law that would not conflict with the Constitution. I have no objection to having the secretary of state or the legislature on a resolution transmitted to the Governor or any other properly constituted authority make the certification, but the War Ballot Commission ought to be formally put on notice by somebody in every State that certain people in that State who are in the armed forces are by State law qualified to vote.

Mr. LODGE. That is a point which is not quite clear to me. I do not see why it is necessary to have a War Ballot Commission at all.

Mr. TYDINGS. Why not?

Mr. LODGE. It seems to me that if the ballots are sent to the soldiers, the soldiers mark them and they are returned enclosed to the voting precinct, that should be sufficient.

Mr. TYDINGS. Who is going to send the ballot to the soldier?

In New York State alone there are 43 congressional districts and hence there must be printed 43 different ballots for that State.

Mr. LODGE. The Army and Navy.

Mr. TYDINGS. From whom are they going to get them?

Mr. LODGE. Under my bill they are going to print them.

Mr. TYDINGS. How are the Army and Navy going to know the names of those who are running for office in the congressional election districts from which the soldiers come, when there are 43 congressional districts in New York State alone, necessitating the printing of 43 differing forms of ballots in that State?

Mr. LODGE. There will not be any names printed on it. There will not be any time for that.

Mr. TYDINGS. Under my substitute every name of every candidate is going to be on the ballot. I set up a form of ballot in it.

Mr. LODGE. For local officers, too?

Mr. TYDINGS. I would not leave it to chance or a man might not know who was running. Under the Senator's proposal a soldier might vote for someone who was not a candidate.

Mr. LODGE. Does the Senator's bill contemplate that all State officers shall be voted for?

Mr. TYDINGS. Certainly, if the State law provides for it.

Mr. LODGE. Does the Senator believe it is physically possible to distribute such ballots and have them returned in time?

Mr. TYDINGS. Why not?

Mr. LODGE. There is involved a time element, as well as a transportation element.

Mr. TYDINGS. That is correct; but it takes no longer to get out a long ballot than a short one.

Mr. LODGE. But there will be many different ballots from all the 48 States.

Mr. TYDINGS. The bill I have introduced provides for a separate Federal ballot and for a short State ballot; that is, it provides for the election of those who make the laws in the States. However, there is a provision in the bill which will allow the State, where the State law specifies that soldiers may vote for minor officers, to send the State ballot, too. In other words, whatever the State law is, we are facilitating it; we are not curtailing it. We are not letting the voter have half of what the State law says he can have, or two-thirds. We would give him the whole right, all the way down the line, from President to sheriff, if the State law gives him that right.

Mr. LODGE. I may be wrong, but, as I understand, the Senator from Maryland is dealing with the same Federal ballot we have been discussing right along.

Mr. TYDINGS. That is correct, because that is the only one there is.

Mr. LODGE. And that is the one which will go out to everyone. Then, as I understand, the State ballot, with State officials on it, comes along later, separately?

Mr. TYDINGS. Yes; a separate ballot.

Mr. LODGE. That will be mailed separately?

Mr. TYDINGS. Only if the State law permits the absentee soldier to vote for State officers. Does the Senator wish to deny the soldiers the right to vote for State officers?

Mr. LODGE. No; I want them to vote for them all, from dog catcher on up.

Mr. TYDINGS. That is the answer.

Mr. LODGE. Why does the Senator put the Federal Government in the position of receiving certifications from the Governors as to who shall and who shall not vote?

Mr. TYDINGS. No such thing has been suggested in the bill at all.

Mr. LODGE. The Senator understands I am just trying to get information.

Mr. TYDINGS. The Senator is not familiar with the bill.

Mr. LODGE. No; I am not.

Mr. TYDINGS. If the Senator will read the bill through—

Mr. LODGE. It says:

Whenever the Governor of any State * * * shall certify to the Commission that such individual is entitled to vote—

And so on.

Mr. TYDINGS. Yes.

Mr. LODGE. What I would like to know is, why would we not get the same result by merely stating that the ballots shall be marked only by soldiers who are qualified voters under the State laws?

Mr. TYDINGS. The Senator could offer that as a substitute, and I would debate it with him then, but I have not so far heard anything which makes me feel that his proposal is superior to mine.

Mr. LODGE. I am not claiming it is superior.

Mr. TYDINGS. I now yield to the Senator from Ohio. He rose some time ago, but I could not yield to him at the moment.

Mr. BURTON. Mr. President, I should like to have an explanation by the Senator from Maryland in regard to subsections (b) (1) and (b) (2), of section 102

to which he referred as constituting the heart of his proposal. Am I to understand that the Governor of Maryland is to certify that John Jones can vote in Maryland or is the Governor merely to certify what are the provisions of the laws of the State of Maryland fixing the voting qualifications of a man in the armed forces?

Mr. TYDINGS. I would not like to answer that question categorically, because the Senator realizes that different States might want to regulate that particular matter. However, it would mean that the Governor of any State, in pursuance of the law of the State as to absentee soldiers and sailors, should formally certify to the Federal War Ballot Commission that such and such and such was the case, for their information, and that all so certified should have the right to vote. That can be rephrased so as to make it either simpler, or stronger, or plainer. I have no pride of authorship. What I do want is to have the Federal Government know that the State of Maryland or the State of Ohio has done thus and so. Then the War Ballot Commission is put on notice of exactly what the rights of the servicemen from Ohio or Maryland are.

Mr. BURTON. I believe the Senator's answer conforms to his previous statement, but I want to press the matter one bit further. Involved in the question of voting are the individual qualifications of the voter and, secondly, the question as to where he will vote, in which congressional district, let us say. How would the Governor determine that?

Mr. TYDINGS. He would not.

Mr. BURTON. Who would?

Mr. TYDINGS. Let us assume, taking Ohio, for the sake of the argument, that the Governor of Ohio sent to the War Ballot Commission a certification reading in substance like this: "Ohio has passed a law conferring upon all citizens of Ohio over 21 years of age the right to vote for all officers for whom they would be entitled to vote if they were in their respective homes."

Let us suppose that the War Ballot Commission gets such a certification. That does not mean that the ballots would be printed by the War Ballot Commission. The State ballots would be sent to it, and it is assumed that some arrangement, as the bill provides, for close cooperation to work out the details, would be made, so that those ballots could be distributed. They would have their genesis in the States and in the congressional election districts. The War Ballot Commission would only facilitate the State law, that is all.

Mr. BURTON. If John Jones steps up and says, "I am from Ohio," and they give him a ballot; then he says, "I am from the Twenty-second Congressional District," and then after the ballot finally gets home, they decide whether he is from the Twenty-second Congressional District?

Mr. TYDINGS. That is correct; I did not follow the Senator's question before. I know the Senator has not had time to go through the bill, but he will find certain forms which will have to be made out, which show where the soldier lives,

and so on. So that when the ballot comes back, with the envelope, the election officials can siphon it right down to the precinct, and there the local judges will say whether the voter lives in the district or not.

Mr. BURTON. That was the point I wanted to raise, because it is not merely a question of age, intelligence, and so on, but, in addition, the voter must have lived a certain length of time in a certain place.

Mr. TYDINGS. I agree with the Senator. Let me add one sentence in conclusion. I do not present this measure as being perfect in all details. I do offer it in the best of faith, and with all the honesty I possess, as the only sure means of guaranteeing to every man in the armed forces the right, in some form or other, to cast a ballot which will be counted. Without reflecting on other proposals which we have heretofore considered, I am very doubtful that under many of them the votes would be counted when the ballots get back.

Mr. BURTON. I am thoroughly in sympathy with the Senator in asking for Federal legislation in this matter, but I want to see a law that will be thoroughly understood.

Mr. TYDINGS. Mr. President, in support of the position which I take I desire to quote a brief extract from a decision of the Supreme Court of the United States. As Mr. Justice Davis of the Supreme Court so fittingly said in the case of *ex parte Milligan*, reported in *United States Reports*, Wallace 4:

The history of the world had taught them that what was done in the past might be attempted in the future. The Constitution of the United States is a law for rulers and people, equally in war and in peace, and covers with the shield of its protection all classes of men, at all times, and under all circumstances. No doctrine, involving more pernicious consequences, was ever invented by the wit of man than that any of its provisions can be suspended during any of the great exigencies of government. Such a doctrine leads directly to anarchy or despotism, but the theory of necessity on which it is based is false; for the Government, within the Constitution, has all the powers granted to it, which are necessary to preserve its existence; as has been happily proved by the result of the great effort to throw off its just authority.

Mr. President, I ask unanimous consent that the amendment in the nature of a substitute submitted by me be printed in the *RECORD* at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment in the nature of a substitute submitted by Mr. TYDINGS to Senate bill 1612 is as follows:

That Public Law No. 712, Seventy-seventh Congress, be amended to read as follows:

"It is hereby declared to be the policy of the Government of the United States to aid, assist, and facilitate in every way voting in State and National elections in time of war and for 6 months thereafter of all members of the armed forces of the United States wherever serving, of all members of the merchant marine of the United States, and, in addition to the foregoing, of persons serving with the Red Cross, the Society of Friends, the Women's Auxiliary Service Pilots, and the United States Service Organizations, outside the United States who are attached to

or serving with the armed forces of the United States.

"TITLE I

"SPECIAL METHOD OF VOTING IN TIME OF WAR

"United States War Ballot Commission

"SEC. 101. (a) There is established a United States War Ballot Commission (hereinafter referred to as the Commission), which shall be composed of four Commissioners, who shall be appointed by the President, by and with the advice and consent of the Senate, to serve a term which shall not exceed the duration of the war and 6 months thereafter. Two Commissioners shall be members of the political party casting the largest popular vote and two Commissioners shall be members of the political party casting the second largest popular vote for Presidential electors in the most recent Presidential election. Such Commissioners shall be appointed from lists of not less than six nominees submitted by the national committees of the respective political parties. Vacancies in the Commission shall be filled in the same manner as the original appointments, that is, from lists of not less than three nominees for each such vacancy submitted by the national committees of the respective political parties. No Commissioner shall hold or be a candidate for any elective public office. The Commission shall elect from among its members a Chairman and Vice Chairman. Each Commissioner shall receive as compensation \$25 for each day in which he is actually engaged in performing the duties of his office and shall also be reimbursed for any necessary expenses incurred in the performance of his duties. The vote of a majority of all the Commissioners shall be necessary to a decision by the Commission on any matter.

"(b) The Commission is authorized to appoint, without regard to the Civil Service Act, rules, and regulations, an Executive Director and such other officers, employees, or agents as may be necessary for the performance of its duties under this act. The Commission may receive assistance from other Federal departments and agencies in carrying out the purposes of this act.

"(c) It shall be the duty of the Commission, in performing its functions under this act, to consult with representatives of the War and Navy Departments and the War Shipping Administration and with State officials. As soon as practicable after any election to which the provisions of this title apply, the Commission shall report to the Congress on the administration of this act, including the number of ballots received by the Commission and transmitted to the secretaries of state of the several States, and the reports received by the Commission from such secretaries of state. Any Commissioner disagreeing as to the contents of the report may set forth his separate views.

"VOTERS ELIGIBLE UNDER THIS TITLE

"SEC. 102. (a) As used in this act—

"1. the term 'members of the armed forces of the United States' means members of the Army of the United States, the United States Navy, the United States Marine Corps, the United States Coast Guard, or any of their respective components;

"2. the term 'members of the merchant marine of the United States' means persons employed as officers or members of crews of vessels documented under the laws of the United States and persons enrolled for such employment with the War Shipping Administration, but does not include those in service or enrolled for service on the Great Lakes or the inland waterways;

"3. the term 'United States,' used geographically, includes only the territorial limits of the several States of the United States and the District of Columbia.

"(b) (1) In time of war and for 6 months after the formal declaration of the conclusion thereof, every individual specified in subsection (c) who is absent from the place of his

voting residence shall be eligible and qualified to vote in any election for United States Senators and Representatives in Congress whenever the Governor of any State or the adjutant general of any State shall certify to the Commission that such individual is entitled to vote for such officers in accordance with the provisions of this title.

"(2) In time of war and for 6 months after the formal declaration of the conclusion thereof, every individual specified in subsection (c) who is absent from the place of his voting residence shall be eligible and qualified to vote in any election for electors of President and Vice President of the United States, whenever the Governor of any State or the adjutant general of any State shall certify to the Commission that such individual is entitled to vote for such officers in accordance with the provisions of law.

"(3) In time of war and for 6 months after the formal declaration of the conclusion thereof, every individual specified in subsection (c) who is absent from the place of his voting residence shall be eligible and qualified to vote in any election for the State officers specified in section 104 (a) (2), whenever the Governor of any State or the adjutant general of any State shall certify to the Commission that such individual is entitled to vote for such officers in accordance with the provisions of law.

"(c) The following individuals, if otherwise eligible under subsection (b), shall be entitled to vote in accordance with the provisions of this title:

"1. Members of the armed forces of the United States and members of the merchant marine of the United States.

"2. Persons serving with the American Red Cross, the Society of Friends, the Women's Auxiliary Service Pilots, and the United Service Organizations outside the United States who are attached to and serving with the armed forces of the United States.

"PAYMENT OF POLL TAX NOT REQUIRED

"Sec. 103. No individual specified in section 102 (c) shall, in time of war and for 6 months after the formal declaration of the conclusion thereof, as a condition of voting in any election for electors for President or Vice President or for Senator or Member of the House of Representatives, be required by any Federal officer or any member of the armed forces or any person serving under the Government of the United States in any capacity, to pay any poll tax or other tax or to make any other payment to any State or political subdivision thereof.

"OFFICIAL FEDERAL AND STATE WAR BALLOTS, ENVELOPES, AND EXPLANATIONS

"Sec. 104. (a) (1) The Commission shall cause to be prepared and printed for use in voting in general elections under this title an adequate number of official Federal war ballots. Each ballot shall be printed in the following form insofar as the offices enumerated are appropriate to the particular election:

"OFFICIAL FEDERAL WAR BALLOT

"Instruction: To vote, write in the name of the candidate of your choice for each office or write in the name of his political party—Democratic, Republican, Progressive, or other.

"Electors of President and Vice President of the United States (a vote for President includes a vote for Vice President of the same party).

"Write in the name of your choice for President or the name of his party: _____

"UNITED STATES SENATOR

"(Only if a Senator is to be elected in your State)

"Write in the name of your choice for Senator or the name of his party: _____

"REPRESENTATIVE IN CONGRESS FOR YOUR DISTRICT

"Write in the name of your choice for Representative in Congress for your district or the name of his party: _____

"REPRESENTATIVE AT LARGE IN CONGRESS

"(Only in the States entitled thereto)

"Vote for one or two as case may be

"Write in the name or names of your choice for Representative or Representatives at Large or the name of his party: _____

A vote by party designation shall be deemed to be a vote for the candidate of that party by name. A vote for a Presidential candidate by name shall be deemed to be a vote for the candidates for Presidential and Vice Presidential electors of his party. No ballot shall be invalid by reason of mistake or omission in writing in the name of the candidate or his political party where the candidate or party intended by the voter is plainly identifiable. Where, because of any defect in marking, a ballot is held invalid as to any particular candidate for office, it shall remain valid as to the other candidates for office.

"(2) The Commission shall cause to be prepared and printed for use in voting in general elections under this title an adequate number of official State war ballots. Each ballot shall be printed in the following form insofar as the offices enumerated are appropriate to the particular election:

"OFFICIAL STATE WAR BALLOT

"Instruction: To vote, write in the name of the candidate of your choice for each office or write in the name of his political party—Democratic, Republican, Progressive, or other.

"GOVERNOR

"Write in the name of your choice for Governor or the name of his party: _____

"LIEUTENANT GOVERNOR

"Write in the name of your choice for Lieutenant Governor or the name of his party: _____

"STATE SENATOR

"Write in the name of your choice for State senator or the name of his party: _____

"MEMBER OF THE STATE HOUSE OF REPRESENTATIVES OR HOUSE OF DELEGATES, AS THE CASE MAY BE

"Write in the name or names of your choice for member or members of the State house of representatives or house of delegates as the case may be, or the name of his party: _____

No ballot shall be invalid by reason of mistake or omission in writing in the name of the candidate or his political party, where the candidate or party intended by the voter is plainly identifiable. Where, because of any defect in marking, a ballot is held invalid as to any particular candidate for office, it shall remain valid as to the other candidates for office.

"(b) The Commission shall also cause to be prepared and printed an appropriate number of official inner envelopes for use in sealing the official Federal war ballots and the official State war ballots. Each envelope shall be gummed ready for sealing. Upon one side of the envelope shall be printed:

"OFFICIAL FEDERAL WAR BALLOT FOR GENERAL ELECTION

"Name of voter _____

"(Print your name plainly here)

"Home residence:

"Street and number (if any) or rural route _____

"(Print street and number or rural route plainly here)

"City or town (if any) _____

"(Print city or town plainly here)

"County _____

"(Print county plainly here)

"OR OFFICIAL STATE WAR BALLOT FOR GENERAL ELECTION

"Name of voter _____

"(Print your name plainly here)

"Home residence:

"Street and number (if any) or rural route _____

"(Print street and number or rural route plainly here)

"City or town (if any) _____

"(Print city or town plainly here)

"County _____

"(Print county plainly here)

"Upon the other side of such envelope shall be printed the following oath, at the top of which shall be set forth the date of the election:

"OATH OF ELECTOR FOR VOTING IN THE GENERAL ELECTIONS TO BE HELD IN 1944

"I do hereby swear (or affirm) that—

"(1) I am a citizen of the United States.

"(2) The date of my birth was _____

"(3) For _____ years preceding this election my home residence has been in the State of _____

"(4) For _____ years preceding this election my home residence has been in the (city, town, or village) of _____, in the county of _____ at (street and number, if any, or rural route) _____

"(5) I am (check appropriate blank)—

"(a) in the armed forces of the United States _____ () ;

"(b) in the merchant marine of the United States _____ () ;

"(c) serving with the American Red Cross (), the Society of Friends (), the Women's Auxiliary Service Pilots (), or the United Service Organizations (), outside the United States, and am attached to and serving with the armed forces of the United States; and that I have not voted and do not intend to vote in this election at any address other than the above; and that I have not received or offered, do not expect to receive, have not paid, offered, or promised to pay, contributed, offered, or promised to contribute to another, to be paid or used, any money or other valuable thing as a compensation or reward for the giving of a vote at this election, and have not made any promise to influence the giving or withholding of any such vote; and that I have not been convicted of bribery or any infamous crime, or, if so convicted, that I have been pardoned or restored to all the rights of a citizen, without restriction as to the rights of suffrage.

"(Voter must write his usual signature here and oath must be administered and attested)

"Subscribed and sworn to before me this _____ day of _____ 1944

"Commissioned, noncommissioned, or petty officer not below the rank of sergeant or its equivalent, or other person authorized to administer and attest this oath.

"(c) The Commission shall also cause to be prepared and printed an appropriate number of official outer envelopes for use in returning to the Commission official Federal war ballots and official State war ballots and official inner envelopes. Upon such outer envelope the following shall be printed:

"Free of all postage, including air mail (Official war ballot)

"To the United States War Ballot Commission.

"For transmission to the secretary of state of the State shown below:

"Voter's home residence:

"Street and number (if any) or rural route _____

"(Print clearly)

"City or town _____

"(Print clearly)

"County _____

"(Print clearly)

"State _____

"(Print clearly)

"(d) Ballots and envelopes for use outside the United States shall be suitable for air mailing.

"(e) The Commission shall also cause to be prepared and printed an adequate number of copies of explanations of voting procedure for use in accordance with the provisions of this title.

"(f) Where the Secretary of War or the Secretary of the Navy determines that the transmission abroad of any material required to be prepared and printed by the provisions of this section is inexpedient because of transportation difficulties or for other reasons arising from the conduct of the war, the Commission is authorized to arrange for such material to be printed outside the United States.

"BALLOTING

"SEC. 105. (a) Any person voting under the provisions of this title shall privately mark the ballot, place it in the official inner envelope, and securely seal the same. He shall then fill in and subscribe the oath printed upon the official inner envelope. After the oath has been duly attested, the voter shall then place the official inner envelope in the official outer envelope provided for the return of the ballot to the Commission and shall deliver it to a person designated by proper authority to receive executed ballots for transmission to the Commission.

"(b) Any commissioned, noncommissioned, or petty officer not below the rank of sergeant or its equivalent in the armed forces of the United States and any member of the merchant marine of the United States designated for this purpose by the Administrator of the War Shipping Administration is authorized to administer and attest such oaths as are required by this title. All such oaths shall constitute prima facie evidence that the voter is qualified to vote, unless the statements contained in such oath indicate the contrary.

"ADMINISTRATION

"SEC. 106. The Secretaries of War and Navy shall be responsible for the administration of this title with respect to members of the armed forces and civilians attached to and serving with the armed forces and entitled to vote thereunder. The Administrator of the War Shipping Administration shall be responsible for the administration of this title with respect to members of the merchant marine of the United States entitled to vote thereunder.

"TRANSMISSION OF FEDERAL AND STATE BALLOTS, ENVELOPES, AND EXPLANATIONS

"SEC. 107. In each year in which a general election for Senators and Representatives in Congress is to be held, the Commission shall furnish well in advance of the election an adequate number of ballots, envelopes, and copies of explanations of voting procedures to the Secretaries of War and Navy and to the Administrator of the War Shipping Administration.

"LISTS OF CANDIDATES

"SEC. 108. The secretary of state of each State shall furnish the Commission such information as the Commission shall request for compiling a list of candidates and their parties in any general election for President and Vice President or for Senators and Representatives in Congress or for State officers specified in section 104 (a) (2). The Commission shall transmit to the Secretaries of War and Navy and the Administrator of the War Shipping Administration, at such times as it deems to be appropriate for balloting under this title, lists of candidates compiled from the information so received, even if incomplete. The Secretaries of War and Navy and the Administrator of the War Shipping Administration shall, in ample time for balloting under this title, transmit such lists to all units of the armed forces

and to members of the merchant marine of the United States, to the extent that such transmission is practicable and compatible with military operations. Incomplete lists of candidates so furnished, or failure to furnish such lists, shall be no bar to balloting under the provisions of this title. No list of candidates furnished under this title shall include information as to a candidate other than his name, address, party affiliation, and office for which nominated.

"DISTRIBUTION AND COLLECTION OF BALLOTS FOR MEMBERS OF THE ARMED FORCES AND OTHERS

"SEC. 109. (a) The Secretaries of War and Navy, insofar as practicable and to the fullest extent compatible with military operations, shall cause ballots, envelopes, explanations of voting procedure, and lists of candidates to be distributed to members of the armed forces, and to civilians attached to and serving with the armed forces and entitled to vote under this title, in ample time to insure an opportunity to vote in general elections under this title and shall cause executed ballots to be collected and transmitted to the Commission.

"(b) Whenever practicable and compatible with military operations, the appropriate commanding officer shall be required—

"(1) to designate a balloting day for voting in general elections, which shall be, whenever possible, after he has received a list of candidates from all States, but which shall not be later than the date which the Secretary of War or the Secretary of the Navy, as the case may be, may fix for the area in which his command is located as the latest date which will afford a reasonable opportunity for the return of executed ballots;

"(2) to cause lists of candidates to be posted and otherwise made available at conspicuous and convenient places prior to and on the balloting day and to cause copies of explanations of voting procedure and all other necessary information to be furnished to members of his unit and civilians attached to and serving with such unit and entitled to vote under this title;

"(3) on the designated day to cause ballots and envelopes to be distributed, to provide a convenient place for marking them in secret, and to cause executed ballots to be collected and delivered for transmission to the Commission;

"(4) to assume general responsibility for assuring that every person in or attached to and serving with his unit, who is entitled to vote under this title, has an opportunity to vote.

"DISTRIBUTION AND COLLECTION OF BALLOTS FOR THE MERCHANT MARINE

"SEC. 110. The Administrator of the War Shipping Administration shall cause ballots, envelopes, explanations of voting procedure, and lists of candidates for voting in general elections to be made available to members of the merchant marine of the United States upon request. The Administrator shall provide a convenient place for marking such ballots in secret, and shall cause executed ballots to be collected and delivered to the Commission or to appropriate representatives of the War and Navy Departments for transmission to the Commission. The Secretaries of War and Navy shall arrange, so far as practicable, for the receipt of such ballots and their transmission to the Commission together with the ballots of members of the armed forces. The Administrator may delegate to the Secretary of War or the Secretary of the Navy, with the consent of such Secretary, any function of the Administrator under this title.

"PRIORITIES

"SEC. 111. The Secretaries of War and Navy and other appropriate authorities shall take all steps necessary to give to the transmission and delivery of ballots and communications under this title priority over all un-

official communications and priority over official communications except where, in the judgment of the appropriate military and naval authorities, such priority would interfere with the effective prosecution of the war. Ballots cast outside the United States shall be transmitted by air, wherever practicable and compatible with military operations.

"TRANSMISSION

"SEC. 112. The Commission, upon receiving any ballot cast under this title, shall promptly transmit it to the secretary of state of the State of the voter's residence who shall at an appropriate time transmit it to the appropriate election officials of the district, precinct, county, or other voting unit of the voter's residence. No person other than such appropriate election officials shall open any official outer or inner envelope purporting to contain a ballot cast under this title.

"REPORTS

"SEC. 113. (a) The Secretaries of War and Navy and the Administrator of the War Shipping Administration shall report to the Commission on balloting under this title, including the number of ballots distributed, received, and transmitted to the Commission, together with any comments thereon or explanation thereof.

"(b) The Commission shall prepare a statement of all ballots received and transmitted to the various secretaries of state. Each secretary of state shall prepare a report of all ballots received by him and transmitted to the various election officials, and within 30 days after the last day for counting absentee ballots in any election in which ballots are cast under the provisions of this title, each secretary of state shall transmit such report to the Commission.

"VALIDITY OF BALLOTS

"SEC. 114. (a) The Commission shall have no powers or functions with respect to the determination of the validity of ballots cast under the provisions of this title; such determination shall be made by the duly constituted election officials of the appropriate districts, precincts, counties, or other voting units of the several States. Votes cast under the provisions of this title shall be canvassed, counted, and certified in each State by its proper canvassing boards in the same manner, as nearly as may be practicable, as the votes cast within its borders are canvassed, counted, and certified.

"(b) No official Federal war ballot shall be valid if—

"1. the voter has also voted in person or by absentee ballot in accordance with the procedure provided by State law; or

"2. the date of the oath of elector is later than the date of the holding of the election; or

"3. such ballot is received by the appropriate election official of the district, precinct, county, or other voting unit of the State of the voter's residence later than the date of the holding of the election, except that any extension of time for the receipt of absentee ballots permitted by State laws shall apply to ballots cast under this title.

"(c) All ballot envelopes received by a secretary of state at a date or time too late for proper delivery, and all ballot envelopes not delivered to polling places or to the proper officials shall not be opened but shall be endorsed with the date of reception and shall be retained by the secretary until the time has expired for contesting the election, when they shall be destroyed without examination.

"VOTING SAFEGUARDS

"SEC. 115. Every individual concerned with the administration of this title shall take all necessary steps to prevent fraud, to protect voters against coercion of any sort, and to safeguard the integrity and secrecy of ballots cast hereunder.

"PENALTIES

"SEC. 116. The provisions of State and Federal law prohibiting offenses against the elective franchise shall apply in the case of elections and voting conducted pursuant to the provisions of this title: *Provided, however*, That no act done in good faith by a member of the armed forces of the United States, in the exercise of his judgment as to what was practicable and compatible with military operations, shall constitute a violation of any such provision of law.

"APPROPRIATE STATE OFFICIALS

"SEC. 117. Wherever, in any State, an official other than the secretary of state is the appropriate State official to carry out any function vested in the secretary of state under this title, the term 'secretary of state' shall mean such other official.

"OFFICIALS AND AGENCIES TO ACT FOR SECRETARY OF STATE

"SEC. 118. Each secretary of state may utilize the services of such State and local officials and agencies for such purposes and to such extent as he may deem appropriate in the exercise of his powers and duties under this title.

"ACT TO BE LIBERALLY CONSTRUED

"SEC. 119. The provisions of this act shall be construed liberally in order to effectuate its purposes.

"TITLE II

"VOTING UNDER STATE LAW FOR STATE AS WELL AS FEDERAL OFFICERS

"Post cards

"SEC. 201. In order to afford an opportunity for members of the armed forces to vote for Federal, State, and local officials and to utilize State absentee balloting procedures to the greatest extent possible, the Commission shall cause to be printed and delivered to the Secretaries of War and Navy an adequate number of post cards for use in accordance with the provisions of this title. The Secretaries of War and Navy shall, wherever practicable and compatible with military operations, cause such post cards to be made available, at appropriate times, upon request, to members of the armed forces located within the United States, and, where State procedures can be effectively employed, to members of the armed forces located in other places.

"Upon one side of the post card shall be printed the following:

"Secretary of state or other appropriate official within the State of _____

"Being in the armed forces of the United States, I hereby request an absentee ballot to vote in the coming _____ (primary, general, or special) election.

"(1) I am a citizen of the United States.

"(2) The date of my birth was _____

"(3) For _____ years preceding this election my home residence has been in the State of _____

"(4) For _____ years preceding this election my home residence has been in the (city town, or village) of _____, in the county of _____, at (street and number, if any, or rural route) _____

"(5) My voting district, to the best of my knowledge, is _____

"Please send the ballot to me at the following address: _____

"(Print your name plainly above)

"(Write your usual signature above)

"Subscribed and sworn to before me this _____ day of _____, 194____

"(Commissioned officer writes here his name and rank)

Upon the other side of the post card shall be printed the following:

"Free of postage
"Including air mail
"(War ballot)

"Secretary of state of _____,
"_____
"(City)
"_____
"(State)

"FUNCTION OF POST CARDS

"SEC. 202. Such post cards (and post cards provided under section 3 of this act prior to its amendment) may be used, if State law permits, as applications for ballots under State absentee balloting laws, as applications for registration under State absentee balloting laws, or as sources of information to implement State absentee balloting laws. No voter shall be precluded from voting under the provisions of title I of this act by reason of any post-card application made under this title, unless such voter casts an absentee ballot.

"INFORMATION REGARDING ELECTIONS

"SEC. 203. The Commission shall, at appropriate times, furnish the Secretaries of War and Navy with any information received from a secretary of state as to the dates of elections in such State, including general, special, and primary elections. The Secretaries of War and Navy shall, whenever practicable and compatible with military operations, cause such information to be made available to members of the armed forces.

"TITLE III

"MISCELLANEOUS

"Authorization for appropriations

"SEC. 301. (a) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

"(b) The Commission shall certify to the Secretary of the Treasury for payment in advance or otherwise such sums as it estimates to be necessary to compensate State or local agencies for administrative expenses incurred under title I of this act. The Secretary of the Treasury, through the Division of Disbursement of the Treasury and prior to audit or settlement by the General Accounting Office, shall pay the sums so certified. The use of such sums shall be properly accounted for, and any part in excess of that used to meet such administrative expenses shall be returned to the United States upon the demand of the Commission.

"(c) The transmission of all communications under titles I and II shall be free of postage, including air-mail postage, in the United States mails.

"VOTING UNDER STATE LAW PERMITTED

"SEC. 302. Nothing in this act shall be deemed to restrict the right of any member of the armed forces of the United States or of any other person to vote in accordance with the law of the State of his residence, if he does not elect to vote in accordance with the provisions of title I of this act.

"SEPARABILITY

"SEC. 303. If any provision of this act or the application of such provision to any person or circumstance shall be held invalid, the invalidity of the remainder of the act and the applicability of such provision to other persons or circumstances shall not be affected thereby.

"Amendments to act of August 2, 1939, as amended

"SEC. 304. The act of August 2, 1939, entitled 'An act to prevent pernicious political activities,' as amended (U. S. C., 1940 edition, title 18, secs. 61-61t; Supp. II, title 18, secs. 61h, 61u), is hereby amended by adding thereto the following new sections:

"SEC. 22. It shall be unlawful for any officer or, or person employed in, the executive branch of the Federal Government, or any agency or department thereof, including the Army and Navy, to deliver or present or cause to be delivered or presented to persons in the armed forces of the United States any general communication, Government magazine, Government newspaper, motion-picture film, or other literature or material, or to make, or cause to be made, any broadcast to the armed forces of the United States, paid for in whole or in part with Government funds, or sponsored by the Government or any agency or department thereof, including the Army and Navy, and containing political argument or political propaganda of any kind designed or calculated to affect the result of any election for President, Vice President, Presidential elector, Member of the Senate, or Member of the House of Representatives, except that—

"(1) Nothing in this section shall prohibit the rebroadcast over Government-controlled radio stations of any political address, but equal time must, if requested, be given for such purposes to representatives of each political party which polled at least 10 percent of the votes cast in the most recent Presidential election;

"(2) Nothing in this section shall prevent the distribution to members of the armed forces of books, magazines, and newspapers which have a general circulation in the United States, or of servicemen's magazines or newspapers, such as Yank and Stars and Stripes, or the presentation to members of the armed forces of motion-picture films, radio broadcasts, or rebroadcasts; but—

"(a) The list of such magazines and newspapers of general circulation shall be determined in accordance with the preference of the members of the armed forces in some reliable method to be determined by the Secretary of War and the Secretary of the Navy;

"(b) any such books of general circulation hereafter purchased shall be selected from a list of books, not containing political argument or political propaganda of any kind designed or calculated to affect the result of any election for the Federal offices above-mentioned, approved by a nonpartisan committee of civilian publishers and librarians which is not financed by the Government or by political parties; and

"(c) such motion-picture films, radio broadcasts or rebroadcasts, and servicemen's magazines or newspapers, sponsored or paid for by the Government, shall be nonpartisan and nonpolitical: *Provided*, That this subparagraph shall not prohibit or curtail impartial coverage or presentation, as news, or information, of public events and persons in public life: *And provided further*, That if in any issue or presentation space or time is allotted to editorials, columns, or other argumentative matter supporting a political party which polled at least 10 percent of the votes cast in the most recent Presidential election, an equal amount of space or time shall be allotted in the same issue or presentation to similar matter concerning each such other political party.

"(3) Nothing in this section shall prevent the sending of any letter, communication, magazine, newspaper, or other literature by any individual, corporation (other than a Government-owned or Government-controlled corporation), or political committee to any member of the armed forces, addressed personally to such member of the armed forces, and paid for by him, or by the individual, corporation, or committee sending the same.

"SEC. 23. It shall be unlawful for any censor or other officer, employee, or member of the executive branch of the Government, including the Army and Navy, to censor any

letter, communication, magazine, newspaper, or other literature referred to in paragraph (3) of section 22 of this act, for the purpose of removing therefrom any political argument, political propaganda, or other political matter, except to the extent that such argument, propaganda, or other matter contains information which may be of value to the enemy in their prosecution of the war.

"Sec. 24. Any person who violates the provisions of section 22 or section 23 of this act either within or outside of the United States shall upon conviction thereof be fined not more than \$1,000 or imprisonment for not more than 1 year, or both."

Mr. GEORGE obtained the floor.

Mr. HOLMAN. May I ask the Senator from Maryland a question?

Mr. TYDINGS. I have already delayed the Senator from Georgia, but if it is just one question I shall yield to the Senator.

Mr. HOLMAN. From the telegram I have received from the Oregon secretary of state, to which I have heretofore made reference, I am assured that the State of Oregon is prepared to issue the ballots to the absent voters in the American combat forces and to insure the counting of those ballots as provided for by State law. All that we in Oregon want from the Federal Government is the means of rapid transportation and delivery of the ballots to the absent voters in our Army and Navy, and the collection and return of these ballots.

Mr. TYDINGS. The bill does exactly what the telegram indicates the State of Oregon wants done. It sets up machinery to carry out the law of the State of Oregon.

Mr. HOLMAN. I thank the Senator.

THE REVENUE ACT

The Senate resumed the consideration of the bill (H. R. 3687) to provide revenue, and for other purposes.

Mr. GEORGE. Mr. President, I do not wish to interfere with any Senator who has anything to present, and I make inquiry now of the Senator from Missouri whether he has a matter he desires to submit.

Mr. TRUMAN. The senior Senator from New Mexico [Mr. HATCH] is detained from the Senate with a slight cold. He asked me to offer an amendment to the tax bill this morning, which I did, and he asked me to make a short explanation of it, which will take about 10 minutes.

Mr. GEORGE. Will the Senator permit me to have some clerical amendments agreed to first, amendments which will not lead to any debate?

Mr. TRUMAN. I desire to abide by whatever the Senator from Georgia wants to do.

Mr. GEORGE. I shall offer the amendments; then the Senator may proceed.

Mr. WHITE. Will the Senator from Georgia yield to me to suggest the absence of a quorum?

Mr. GEORGE. I wish the Senator would withhold the suggestion. I am now about to offer a few clerical, technical amendments to the tax bill. But if the Senator insists on a quorum call, I may be compelled to yield to him.

Mr. WHITE. I share the Senator's great anxiety to make progress.

Mr. GEORGE. Let me make a statement. I intend to have the Senate conclude the consideration of the tax bill, except for the one matter that is to go over until Monday, even if I have to ask the Senate to remain in session tonight; and I do not wish to do that if I can help it. There are some controversial provisions which will call for debate.

Mr. WHITE. I advised a Senator on the other side of the aisle that when we reached the tax bill I would make a point of no quorum. Let me say to the Senator—and I repeat what I stated a moment ago—I am in complete sympathy with him, and I shall cooperate in every way possible.

Mr. GEORGE. Mr. President, it is not a matter of cooperation; it is simply a matter of knowing what the program is to be. If the tax bill is not to be considered today I want to know it now, and as soon as I can find out about the matter I myself will make an appropriate motion.

I now yield to the Senator from Maine to suggest the absence of a quorum.

Mr. WHITE. I suggest the absence of a quorum. I will say to the Senator from Georgia that I will not again suggest the absence of a quorum today unless a vote is actually impending.

The PRESIDING OFFICER (Mr. WALSH of New Jersey in the chair). The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	George	O'Mahoney
Andrews	Gerry	Overton
Austin	Gillette	Radcliffe
Bailey	Green	Reed
Ball	Gurney	Revercomb
Barkley	Hayden	Reynolds
Bone	Hill	Robertson
Brewster	Holman	Russell
Bridges	Johnson, Colo.	Shipstead
Brooks	Kilgore	Stewart
Buck	La Follette	Thomas, Idaho
Burton	Langer	Thomas, Okla.
Bushfield	Lodge	Thomas, Utah
Butler	Lucas	Truman
Byrd	McClellan	Tunnell
Capper	McFarland	Tydings
Caraway	McKellar	Vandenberg
Chavez	Maloney	Van Nuys
Clark, Mo.	Maybank	Walsh, Mass.
Connally	Mead	Walsh, N. J.
Danaher	Millikin	Wheeler
Davis	Moore	White
Downey	Murdock	Wiley
Eastland	Murray	Willis
Ferguson	O'Daniel	Wilson

The PRESIDING OFFICER. Seventy-five Senators have answered to their names. A quorum is present.

Mr. GEORGE. Mr. President, I should like to offer certain clerical or technical amendments to the bill. They all have the approval of the staff of the joint committee and of the Treasury. While they are numerous, they are all of the character I have described, except the last amendment, which, while it is also technical, is a mere rewriting of something the Senate has already done. I ask that the first amendment be stated, and then I shall be glad to yield to the Senator from Missouri [Mr. TRUMAN].

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 50, in line 3, it is proposed to strike out the semicolon and insert a period.

Mr. TRUMAN. Mr. President, earlier today, at the request of the Senator from New Mexico [Mr. HATCH], I submitted an amendment which I asked to have printed and lie on the table. The amendment deals with the post-war industry set-up. I should like to make a short statement in explanation of what the amendment would do.

On September 21, 1943, the Senator from New Mexico [Mr. HATCH] called the attention of the Senate to the frequently heard complaints of war contractors that they are unable under the present provisions of the tax and renegotiation laws to set up adequate reserves for anticipated expenses in connection with the termination of their war contracts and the necessary post-war conversion of their plant facilities. Many such contractors, individual and corporate, will doubtless suffer large inventory losses. Many of them will feel a strong moral obligation to make substantial severance payments to unneeded wartime employees after cancellation of war contracts. Many such contractors will suffer substantial overhead losses during post-war periods of change-over.

At that time he pointed out to the Senate that three provisions have already been made in the law for the relief of these conditions: First, the post-war credit under the excess-profits tax law, which, in the case of top-bracket corporate excess-profits taxpayers, may amount to as much as 9 percent of the total profit before taxes; second, the provision for acceleration of amortization of emergency facilities which are worthless at the end of the war, if the war should terminate before the expiration of the 5 years currently allowed for the emergency amortization; third, provision for a 2-year carry-back, as well as carry-forward of losses, with the requirement of a cash refund by the Government in the event of application of the carry-back provision. This last provision could be very important to contractors whose businesses are really hard hit at the termination of the war and could result in losses for a 2-year period at the end of the war being entirely made up by the Government.

I know, however, and I am sure other Members know from conversations with war contractors, both individual and corporate, that even these provisions are inadequate to take care of the legitimate needs of many of them.

The staff of the Special Committee Investigating the National Defense Program has made a survey within the past 6 months of the post-war reserve requirements of the 100 war contractors holding the largest volume of war contracts, and I expect to discuss the results of that survey more fully when we come to the debate on renegotiation. The study is based upon correspondence and conversations with the contractors themselves and each contractor has been asked to estimate exactly what his termination and post-war expenses are ex-

pected to be. Answers have been received from a very large percentage of this group of 100, and the group contains representatives of practically every substantial industry in the United States. The most striking feature of the replies is not the amount of money which will be required, nor the variety of purposes for which it will be required, but the complete uncertainty of the contractors themselves as to how much will be required and the purposes for which it will be required.

Of the 86 companies whose answers have been tabulated, 28 have literally thrown up their hands and said they have no idea of any kind upon which they can make even a remote estimate as to how much money they will need or what they will need it for.

The estimates made by the remainder run the gamut from the modest statement that nothing will be required except a "prompt settlement of war contracts on termination," to estimates by some contractors that restoration to their previous peacetime position in our national economy will require sums amounting to several times their present total net worth.

For example, at one extreme we find the Sun Oil Co. of Philadelphia whose executives stated that they did not think the company would require any substantial amount of money for post-war reconversion. As illustrations of the other extreme, we find that General Motors Corporation expects to need \$150,000,000, General Electric Co. expects to need \$50,000,000, Ford Motor Co. expects to need \$70,000,000, Douglas Aircraft Co. expects to need \$63,000,000, the Glenn L. Martin Co. expects to need \$105,000,000, and numerous other companies expect to need only slightly smaller sums.

Two points are perfectly clear as a result of this study: First, any provision designed to solve the post-war reserve problem must be extremely flexible or it will result in hardship to some and windfalls to others, while the number whose needs will be exactly met will be purely accidental. Second, any provision to be effective must be reasonably self-administering and must avoid, insofar as possible, a requirement of determination by Government administrators of the amount of money needed. If in most cases the contractors do not know themselves, how can anybody expect a Government administrator to know?

The only plan I have yet heard suggested which will meet both of these tests by providing both flexibility and simplicity of administration is a plan suggested by a group of war contractors, a plan which has been the subject of much informal discussion in the past 6 months. The Senator from New Mexico [Mr. HATCH] brought it to the attention of the Senate on September 21, and suggested that it be considered in connection with the proposed amendments to the tax law. I do not find any amendment to accomplish this in the present bill; and, in view of the unavoidable absence today of the Senator from New

Mexico, I am offering one at this time for the Senator from New Mexico and myself. The substance of the plan is that any taxpayer, individual or corporate, who anticipates a termination or post-war reserve requirement, may, in his own discretion, set up a reserve of whatever amount he thinks he will need, so long as it does not exceed 20 percent of his normal tax net income, and he may in that event claim a credit against his normal tax net income, his surtax net income, and his excess-profits net income of the amount of the reserve which he decides upon within the 20-percent limit, subject to only two simple conditions:

First. That the amount set aside in such reserves be invested in a special issue of nonnegotiable, noninterest-bearing Government bonds, redeemable at any time prior to the end of the eighteenth month after the cessation of hostilities;

Second. That simultaneously with the liquidation of such securities, the taxpayer must return the amount derived from such liquidation to his taxable income for the year of liquidation.

This plan does not require the exercise of discretion by any Government bureau. It leaves it to each taxpayer to determine for himself the seriousness of his own war-contract termination, post-war expense, and declining income problem. The taxpayer who has a serious problem of this character can protect himself against it, and can spread his increased wartime income equitably to meet it. The taxpayer who does not have such a problem will not be required to do so, and will not be prejudiced by his failure to do so.

The taxpayer who seeks an unconscionable advantage will find himself caught in his own trap, for, if he does not have extraordinary expenses within the period ending 18 months after hostilities cease, he will either be forced to lose the money invested in the special bond issue or he will be forced to take it back and add it to his continuing income so that he will find himself in a higher tax bracket instead of a lower tax bracket.

The plan would keep all moneys required for these intangible and presently undeterminable post-war expenses in the form of non-interest-bearing securities until the termination or post-war need actually arises, so that the money would in the meantime be fully available for wartime financing.

The approval of this plan will in my judgment render unnecessary the amendment set forth in subdivision (a) (4) (vii) of title 7 of this bill, which requires the administrators of renegotiation to take into account, in fixing the amount of the renegotiation refund, "financial problems in connection with reconversion". I will postpone any further discussion of that clause until the renegotiating provisions of the bill are brought before the Senate for debate, but I do wish to emphasize now that a choice must be made between the handling of this termination and post-war reconversion problem through a simple, automatically administered tax provision

such as the one I now offer and the other amendments to the renegotiation law, which would immeasurably increase the administrative burden already imposed upon the renegotiators by requiring them to make a guess as to post-war requirements, a guess which our survey shows the contractors in most cases are unable or unwilling to make themselves at the present time.

Mr. GEORGE. Mr. President, I ask unanimous consent that the Senate reconsider the votes by which approval was had of certain committee amendments in order that I may offer thereto several clarifying and technical amendments relative to various sections of the code.

The PRESIDING OFFICER. Is there objection? Without objection, the votes by which the amendments were agreed to are reconsidered, and the amendments are before the Senate.

Mr. GEORGE. Mr. President, I now offer the clerical amendments. Since they are all purely clerical and technical in nature, I think they might be approved en bloc, if there is no objection, with the exception of the last amendment, which I request to have read.

The PRESIDING OFFICER (Mr. McCLELLAN in the chair). The amendments will be read.

The CHIEF CLERK. The following amendments are proposed:

On page 50, line 3, strike out "; and" and insert a period.

On page 50, line 7, before the period, insert ", and by striking out the comma preceding 'of the Revenue Act of 1938'."

On page 52, line 20, after "(b) (9)", insert ", or so much of subsection (d) or (e) as relates to subsection (b) (9)."

On page 54, line 1, after "(b) (9)", insert ", or so much of section 112 (d) or (e) as relates to section 112 (b) (9)."

On page 55, line 8, after "(b) (9)", insert ", or so much of subsection (d) as relates to subsection (b) (9)."

On page 55, lines 24 and 25, strike out "in a transaction to which section 112 (b) (9) is applicable" and insert "pursuant to an order of the court in a receivership, foreclosure, or similar proceeding, or in a proceeding under section 77, 77B, or chapter X of the National Bankruptcy Act, as amended."

On page 56, after line 11, insert:

(6) Section 718 (a) (6) (A) is amended by striking out "112 (b) (3), (4), or (5), or so much of section 112 (c), (d), or (e) as refers to section 112 (b) (3), (4), or (5)" and inserting in lieu thereof "112 (b) (3), (4), (5), or (9), or so much of section 112 (c), (d), or (e) as refers to section 112 (b) (3), (4), (5), or (9)."

On page 57, line 25, after "determining" insert "gain or."

On page 59, line 7, before "The", insert the subparagraph heading "(A) In general.—"

On page 61, line 23, strike out "(d)", and insert "(e)."

On page 74, before "section" in line 4, insert "(a) In general.—"; and after line 13 insert:

(b) Effective date: The amendment made by subsection (a) shall be applicable to all

compensation paid on or after the 10th day after the date of the enactment of this act.

On page 64, strike out lines 7 to 11, inclusive, and on page 148, after line 25, insert:

Sec. —. Capital gains and losses of corporations for purpose of declared value excess profits tax.

(a) In general: Section 602 (defining net income for the purposes of the declared value excess-profits tax) is amended by inserting before the period at the end thereof the following: ", and by excluding therefrom the excess of the net long-term capital gain over the net short-term capital loss."

(b) Taxable years to which applicable: The amendment made by subsection (a) shall be applicable to taxable years beginning after December 31, 1943.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. DANAHER. Is it the Senator's purpose to explain the last amendment?

Mr. GEORGE. The last amendment is entirely clerical. It is a rewriting of the text which has already been approved by the committee and by the Senate, and the rewriting has been done by the staff and by the Treasury. There are no objections to it.

Mr. DANAHER. I thank the Senator.

The PRESIDING OFFICER. Without objection, the amendments offered en bloc to the amendments are agreed to; and, without objection, the committee amendments, as amended, are agreed to.

Mr. GEORGE. Mr. President, the first amendment which was passed over is, I understand, on page 50, in line 11. It is the so-called Johnson amendment, and has previously been read. There is one feature of this particular amendment which was passed upon and approved by the committee, and regarding which there is no dispute. I understand that the Senator from Colorado is proposing a rewriting of the main provisions of the amendment, but I should like to have one matter separated and carried in a different section. I shall explain to the Senate that it relates entirely to several of the short-line railroads which went through bankruptcy proceedings or section 77B proceedings in the year 1938. Last year we made certain provisions for railroad companies which had to go through bankruptcy proceedings. The Interstate Commerce Commission and all interested parties have indicated they have no objection, and no objection has been offered by the Treasury, to permitting the same treatment to be accorded to three short-line railroads, as I recall—one in Utah, one elsewhere in the West, and one in the South—which was given to the railroads which passed through bankruptcy proceedings or proceedings under section 77B in 1939.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. CONNALLY. I do not know whether the matter I have in mind comes under this particular section, but the other day someone represented to me, that in respect to certain corporations which had their indebtedness scaled down under section 77B, although the property was the same and the ownership was the same, the courts, or the Treasury, or someone else insisted that the reduc-

tion of the debt was a gain, and that it was very burdensome on those companies which had been scaled down. Does the matter to which the Senator refers cover that question?

Mr. GEORGE. The matter of which I am speaking today does not touch that question. That is involved in the amendment offered by the Senator from Colorado [Mr. JOHNSON], which is really before the Senate. I was trying to separate one item as to which there is no dispute and have it acted upon in a separate section. Since the Senator from Colorado is now proposing to omit anything applicable to the railroads in the section which he is offering, I therefore ask consideration of this amendment, which is technical, and which relates only to the year 1938.

The PRESIDING OFFICER. The amendment offered by the Senator from Georgia will be stated.

The CHIEF CLERK. On page 64, after line 6, it is proposed to insert:

Sec. 120. Nonrecognition of loss on certain railroad reorganizations made retroactive to 1939.

(a) Amendment of section 112 (b) (9): Section 112 (b) (9) (relating to nonrecognition of loss on certain railroad reorganizations) is amended by striking out "1939" and inserting in lieu thereof "1938."

(b) Amendment of section 113 (a) (20): Section 113 (a) (20) (relating to basis of property acquired by railroad corporations in certain railroad reorganizations) is amended by striking out "1939" and inserting in lieu thereof "1938."

(c) Amendment of section 142 (d) of the Revenue Act of 1942: Section 142 (d) of the Revenue Act of 1942 (prescribing the taxable years to which such section is applicable) is amended by striking out "1939" and inserting in lieu thereof "1938."

Mr. GEORGE. Mr. President, may we have action on the amendment?

Mr. JOHNSON of Colorado. Mr. President, before action is taken, will the Senator yield for a parliamentary inquiry?

Mr. GEORGE. I yield.

Mr. JOHNSON of Colorado. As I understand, the Senator from Missouri [Mr. CLARK] has an amendment which he wishes to offer to the railroad reorganization section, having to do with railroads which are insolvent and are trying to be reorganized. The Senator from Missouri does not happen to be in the Chamber at the moment. I have sent for him. Would he be estopped from offering his amendment to the same section to which the Senator is now offering an amendment, if action were taken on the pending amendment?

Mr. GEORGE. I would say not, because I presume he has an amendment to existing law.

Mr. JOHNSON of Colorado. That is correct.

Mr. GEORGE. I do not think it would be affected; but if so, I would ask for reconsideration of any action taken.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Georgia [Mr. GEORGE].

The amendment was agreed to.

Mr. BUSHFIELD obtained the floor.

Mr. GEORGE. Mr. President, before the Senator from South Dakota proceeds, may it be understood that the amend-

ment now before the Senate is the amendment heretofore passed over, known as the Johnson amendment, to be found on page 50 of the bill?

The PRESIDING OFFICER. The Senator is correct.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. BUSHFIELD. I yield.

Mr. VANDENBERG. If I may have the attention of the Senator from Georgia, when we return to the consideration of section 115, I wish to offer a perfecting amendment, which has been drawn by the Treasury Department, and which is essentially technical in character. I should like to perfect section 115 before the Senator from Colorado offers his substitute. All I am doing at the moment is calling this amendment to the attention of the Senator from Georgia and asking that he be prepared to tell me whether it will be acceptable when we return to the consideration of the bill.

Mr. GEORGE. The amendment will be in order. I have not seen the amendment.

Mr. JOHNSON of Colorado. Mr. President, if I may say so at this time, I will make a motion to strike out all of section 115 and substitute—

Mr. BRIDGES. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BRIDGES. Who has the floor?

The PRESIDING OFFICER. The Senator from South Dakota [Mr. BUSHFIELD] has the floor.

Mr. VANDENBERG. The Senator yielded to me.

Mr. JOHNSON of Colorado. Mr. President—

Mr. BUSHFIELD. For what purpose does the Senator from Colorado wish me to yield?

Mr. JOHNSON of Colorado. I wish to reply to the statement made by the Senator from Michigan.

Mr. BUSHFIELD. I am perfectly willing to yield briefly for that purpose, but for nothing else.

Mr. JOHNSON of Colorado. All I desire to say is that I intend to offer an amendment in lieu of the language in the bill in section 115, and to strike out all the language in section 115. I wanted the Senator from Michigan to understand.

Mr. VANDENBERG. I understand.

SUBSIDIES ON FOOD AND FARM COMMODITIES

Mr. BUSHFIELD. Mr. President, in the book entitled "Hunger and Civilization" the following statement is made:

If food and other necessities of life are adequate in quality and variety, and if men are free, there will be industry. If savings are secure from confiscation and debasement, there will be thrift; and an industrious, thrifty people make a prosperous and rich nation.

On Labor Day 1942 the President delivered a message to Congress—perhaps the most amazing message ever delivered by a President.

On the same date the President delivered a radio speech to the American

people commenting upon his message to Congress. In that speech he said:

Today I sent a message to the Congress pointing out the overwhelming urgency of the serious domestic economic crisis with which we are threatened. Some call it inflation, which is a vague sort of term, and others call it a rise in the cost of living.

Last January the Congress passed a law forbidding ceilings on farm prices below 110 percent of parity on some commodities. On other commodities the ceiling was even higher so that the average possible ceiling is now about 116 percent of parity for agricultural products as a whole.

This act of favoritism for one particular group or commodity increased the cost of food to everybody, not only to the workers of the city or in the munitions plants and their families, but also the families of the farmers themselves.

Since last May ceilings have been set on nearly all commodities except the exempted farm products.

Wages in certain key industries have been stabilized on the basis of the present cost of living.

Obviously, the President intended to and did tell the Nation in that speech that the American farmer was getting too much money, in spite of the fact that since January 1939 industrial wages have risen 94 percent while the cost of living, including all items, has risen only 24.1 percent.

The President severely criticized the Congress for passing the law of January 1942 whereby he was prohibited from fixing ceiling prices below 110 percent of parity on many foods and farm products, and left the impression that the advance in the price of farm products has far out-run that parity limitation.

In the statistical summary issued by the Bureau of Agricultural Economics, Department of Agriculture, under date of October 30, 1943, we find that wheat, corn, cotton, and eggs are still within or below the parity limits and have not advanced to 110 percent as suggested by the President.

We further find that none of the food products mentioned in that report of the Department of Agriculture, which includes oats, potatoes, hogs, beef, veal, lumps, butterfat, and milk, have exceeded the 110 percent of parity named in the law of January 1942, except in one or two cases and then only slightly.

But the President went further than that. He demanded immediate action by the Congress giving him vast additional powers and specified a time limit within which the Congress must act, namely, October 1, 1942. He said:

I have told the Congress that inaction on their part by that date will leave me with an inescapable responsibility to the people of this country to see to it that the war effort is no longer imperiled by the threat of economic chaos.

Only one conclusion can be drawn from this statement. Since he claimed he had stabilized everything except farm prices, and that we were threatened with economic chaos on that account, then we must conclude that because of soaring prices of farm products we have chaos.

Reluctant as I am to differ with the President, I must call attention to the

fact that the President was mistaken in both statements. There have been no soaring prices in farm and food products, and there has been no economic chaos.

The President, continuing, said:

In the event that the Congress shall fail to act, and act adequately, I shall accept the responsibility, and I will act.

The President further said:

The President has the powers, under the Constitution and under congressional acts, to take measures necessary to avert a disaster which would interfere with the winning of the war.

The Congress not only acceded to the demand of the President, but very promptly, on October 2, 1942, passed the Emergency Price Stabilization Act, giving him all the power he demanded.

In the spring of 1943 I introduced Senate bill 1143 which had for its purpose the prohibition of the payment of subsidies by the executive branch of the Government unless specifically authorized by the Congress. I introduced this bill because the subsidy program then proposed was in violation of the law, and was definitely inflationary, as I shall point out hereafter.

The bill was later merged with the Commodity Credit Corporation bill, and in the rush of the closing days of the session before the summer recess, was passed with a limited authority granted for the payment of certain subsidies.

The bill expired on the 31st day of December, and was continued until February 17, 1944.

House bill 3477, which was recently passed by the House of Representatives by an overwhelming majority, is now before the Committee on Banking and Currency for consideration. It would extend the life of the Commodity Credit Corporation to June 30, 1945. That bill contains the following provision, known as section 3:

No funds appropriated to, borrowed by, or in the custody or control of any governmental agency (including any Government-owned or Government-controlled corporation) shall be directly or indirectly used by or made available to the Commodity Credit Corporation or any other governmental agency (including Government-owned or Government-controlled corporation) to make any subsidy or other payment, or to pay or absorb losses, on any agricultural commodity or any commodity processed or manufactured in whole or substantial part thereof, either to reduce or maintain, or in lieu of increasing, maximum prices established on such commodities, except as provided in section 4 hereof: *Provided*, That with respect to any such commodities for which subsidy programs or support prices have been announced on or before October 13, 1943, such programs may be carried out and such support prices may continue to be maintained to the extent only that funds are available for such purpose under existing law, but not beyond December 31, 1943.

Mr. President, years ago in the county fair circuits of the Middle West there was always to be found a pitchman with his little table, three walnut shells, and a little pea. The pitchman was an adept at his business. After getting a crowd around his little table, he would delib-

erately, slowly, and with complete honesty, show his audience the pea. He then covered the pea with one of the walnut shells and permitted some member of his audience to tell him under which shell the pea was located.

With confidence thus established in his customers, he offered to bet a sum of money that no one in the audience could tell him under which shell the pea was located. One or more of the "suckers" were certain they could do so and thereupon bet their hard-earned money upon their judgment.

Of course, the pea was not under the shell designated. In the end the "suckers," if they remained long enough, "lost their shirts."

Today there is a shell game going on in our National Government. We are shown the pea and told exactly under which shell it will be and what will result if we lift the shell. The pitchman is a clever operator, else he could not survive.

The American people in this particular shell game are the "suckers." They are being told that if we remove the shell from the pea a terrible, destructive, and cataclysmic inflation will sweep this country.

The pea is not under the shell which we think it is under. The disastrous inflation predicted will not occur, but if we bet our money and follow the advice given us we will lose our shirts in the expenditure of public money for unneeded and unwanted subsidies.

An unprecedented campaign of misrepresentation and even downright falsehood has been waged by those high in authority for the purpose of instilling fear in the minds of the people. The President; James F. Byrnes, Director of the Office of War Mobilization; Fred M. Vinson, Director of the Office of Economic Stabilization; Chester Bowles, Director of the Office of Price Administration; and other governmental officials have, by written and spoken word, endeavored to instill in the minds of the American people a fear that catastrophe will result if this bill is passed.

In recent weeks many statements have been issued to the press suggesting a compromise. A compromise means surrender to those asking a continuation of subsidies, and this is no time for surrender.

Throughout the country organized groups have been inspired from Washington to bombard Congress with telegrams and letters. News writers and radio commentators have engaged in this pressure campaign of fear, either because they do not understand, or are inspired from the same source, and we are witnessing today a concerted and studied attempt to pass legislation by pressure. One leading official of the administration has stated publicly that if this bill is passed it will cost the American people \$8,000,000,000. According to the January 10 issue of News Week, Mr. Bowles has now boosted the figure to \$17,500,000,000. That claim is so fantastic that it is not worthy of an answer. It is not founded upon any known facts and is nothing more than pure misrepresentation.

From the reverse viewpoint, I agree that this program, if carried on for 2 or 3 years, will cost the American people far more than \$8,000,000,000, but not in the way the administration means. Those billions will come out of the Federal Treasury and will come from taxes paid by the American people to pay subsidies.

The President said in his recent message to Congress that the continued payment of subsidies to consumers was vital to the war-food program. Subsidies have nothing whatever to do with the war-food program, because the payments proposed to be continued are being made to consumers for the alleged purpose of cutting down their grocery bills and not to produce food. The farmer is getting no part of these subsidies except a few unwanted pennies on milk checks.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. BUSHFIELD. I yield.

Mr. WILEY. I am very much interested in the remarks which the Senator has made. I should like to cite an instance which came to my personal attention in the last few weeks.

It was my privilege to be in New York City, and a gentleman there took me to breakfast. We had some orange juice, a little bacon, some eggs, a little toast, coffee, and a little milk. The breakfast cost \$2.20 a piece. When I returned to my home in Washington I asked my wife how much it would cost to place that breakfast on the table here in Washington, where, as we know, prices are high. Thank God she is the one who cooks my meals for me; it would be unfortunate for me if she did not; she looks after my breakfast and my dinner at night. She figured out the cost of the orange juice, the eggs, the bacon, the toast, the coffee, and the milk, and said the cost would be about 30 cents. Then, I figured out that the farmer to produce the fruit, the bacon and eggs, did not receive over 15 cents. Now I ask the Senator, if the Government subsidized the farmer's whole product for 15 cents, does he think that would reduce the price of that breakfast in New York City by a cent?

Mr. BUSHFIELD. Not by 1 cent. Not only is the farmer not getting any of these subsidies under this present program, but the farmer's share of the consumer's dollar, as disclosed by the Department of Agriculture in its report of August 1943, amounts to only 58 cents out of each dollar; and I think that estimate is too liberal, according to the facts. The President made no mention of the 42 cents going into other pockets, but left the impression that the farmer was the sole beneficiary of whatever increase in prices has occurred.

The President says:

Government funds have been used in various ways to enable the farmer to get a fair price for his crops—a price high enough to encourage him to raise more crops—without raising the price to the consumer.

Mr. WILEY. Mr. President, will the Senator yield again?

Mr. BUSHFIELD. I yield.

Mr. WILEY. In that connection is it not true that the law guarantees the farmer 90 percent of parity?

Mr. BUSHFIELD. That is correct.

Mr. WILEY. Does not the Senator also know that in recent weeks eggs, particularly, and pork in sections of the country have gone away down below 90 percent of parity, and has the Senator heard of the Government giving the farmer anything or making good the guaranties?

Mr. BUSHFIELD. The record supports the Senator's statement and I thank him for his contribution.

The statement of the President which I quoted before the interruption is not in accord with the facts. The law passed by Congress in 1942 authorized the payment of subsidies for the sole purpose of increasing production. The experience of the last 6 months has proved that the subsidy program has actually reduced production. Cattle production has declined and thousands are being rushed to market before they are ready for slaughter. Hog production in 1944 will be down 20 percent.

Milk and butter production both show a monthly decline. These subsidies have not benefited the producers. They have not increased production, but have caused confusion, annoyance, and financial loss.

The President says he is sure—

That Congress and the people feel that this expenditure of \$800,000,000 per year is a moderate sum to pay in order to help accomplish the objectives which we have in mind—greater production and lower consumer prices.

These payments have not gained the objective sought. Neither the people nor Congress favor them.

Last summer Secretary of Commerce Jesse H. Jones testified before the Agriculture Committee of the Senate that he estimated the cost of the roll-back program to be \$450,000,000 a year. The President now has it up to \$800,000,000. Chester Bowles, Director of the Office of Price Administration, says it will cost a billion and a half dollars. That was awhile ago. Now he has raised it to \$17,500,000,000. C. I. O. demands \$2,000,000,000 for this purpose. Whatever the price, are we willing to pay the grocery bills of labor at a time when it is receiving the highest wage in history? I am not criticizing labor by that statement, but am merely asking the question.

The Department of Labor figures on the increase in average wages of workers in all manufacturing industries and on the cost of living since January 1941 show that industrial wages have increased 94 percent and the cost of living has increased 24.1 percent. In other words, industrial wages of workers of this country have increased three times as much as the cost of living.

The President said that the payment of subsidies will stimulate production, prevent price increases, encourage distribution. Experience has shown that it will not stimulate production. It will not prevent price increases, because the payment of subsidies has nothing whatsoever to do with prices. It will not encourage distribution, but will encourage hoarding.

There are 40,000,000 farmers in this country. Our national income has increased since 1939 by at least \$40,000,-

000,000, but only 14 percent of that \$40,000,000,000 has gone to the farmer. The other 86 percent has gone to nonfarm groups.

Last winter the hog producers of America were urged by the administration to increase hog production. Now, in the face of falling prices, it refuses to support prices for hogs. In the face of a black market in every city in this country, in the face of a threatened scarcity of meat the administration is discouraging meat production. Hog raisers are being punished. The cattle industry, through ill-advised regulations, is being wrecked. There are more cattle in the country today than ever before, but cattle weighing not more than two-thirds, and in many cases not more than one-half, of a matured animal, are being pushed upon the market. The producer is losing that extra production. The American people are deprived of the extra meat, and O. P. A. is on its way to better and bigger pay rolls.

Food is being hoarded and wasted by the War Food Administration. On January 4 the Office of Defense Transportation officially charged:

1. W. F. A. has bought and hoarded such tremendous stocks of butter, meats, and frozen commodities that the Nation's storage facilities are filled to capacity, with no space available for storing spring and summer crops which should be processed to prevent spoilage.

2. W. F. A. has continued buying and hoarding despite this apparent condition.

3. W. F. A. does not even know how much it has bought, so frenzied has been the purchase spree.

Think of that Senators. It does not even know how much it has bought.

4. W. F. A. does not know where all this food is stored.

5. W. F. A. does not know what percentage of food stored is held by commercial operators and what percentage by their agency.

6. W. F. A., as a result of this shortsighted policy, has been responsible, indirectly at least, for tremendous losses in meat, eggs, and canned milk.

The President says:

There are some who advocate taking off all restrictions on food because of the vast food production which the American farmers have raised. But with the great excess of purchasing power now in the pockets of the American people, the supply would never last. We might have a feast for a few months, but then there would be a real shortage.

That is the President's remarkable statement, Senators. Does the President think that the American people are children or savages, who would glut their stomachs with an excess of food for a short time and then end in famine? We have managed to get along without executive direction in this country for 150 years, and no famines have resulted. We have not overfed ourselves. We have not destroyed our resources. We have taken care of ourselves without Government paternalism, and we can continue to do so.

There is only one solution to this confusion and threatened famine, and that is to remove all regulations on food production. Let the age-old law of supply and demand take its course. Hoarding will cease. Black markets will disappear.

We will get rid of an unwanted and an unnecessary army of Government employees, and our supply of food will be ample for all purposes.

The President says:

Some people say "a little inflation will not hurt anyone." They are like the man who takes the first shot of opium for the sensation he thinks it will give him. He likes it, although he swears that he will not make it a habit. Soon he is taking two—and then more and more—and then he loses all control of himself.

I paraphrase that statement by saying there are a few people in this country who say that a little subsidy will not hurt anyone; that it will be extremely helpful and acceptable to those who receive the subsidy; that they like it, but they swear it is only for the moment, and that they will do without it a little later on. But soon we will lose all control of ourselves, and will be subsidizing everything out of the Federal Treasury to take care of pressure groups who think they want Government assistance.

Under the present law the Government is paying subsidies on cheese, 3¼ cents, amounting to \$28,000,000; on butter, 4½ cents, amounting to \$100,000,000; on milk and cream, amounting to \$350,000,000; on meat, amounting to \$350,000,000; and on bread, \$108,000,000. Where will it end? What will be the next item the pressure groups will insist should be included in this subsidy opium?

Many officials and others who are talking vociferously in favor of subsidies are confused in their thinking. They either do not understand the problem, or they have been inspired by the idea of getting something for nothing, or they are looking with longing eyes to the 1944 election.

There are two kinds of subsidies—production and consumers' subsidies—a fact which most of the commentators seem to overlook completely.

Congress authorized subsidies in order to increase production. No one is complaining of that kind of a subsidy. The other kind of a subsidy is a consumers' subsidy, which is a different breed of cats. It is a raid on the Federal Treasury, or, more directly, into the taxpayer's pocket, to help out a pressure group with its grocery bill.

No one is objecting to producers' subsidies if used for the purpose specified in the law. That is the kind of subsidy they are paying to the producers of copper, because the Government needs copper in its war effort.

We are told over and over and over again, with a repetition that has grown monotonous, that if we do not pay subsidies we will have inflation, and that inflation is a terrible bugaboo which we must avoid under all circumstances. Some of those who talk so glibly about inflation do not know what inflation means. But inflation is easily defined. It means that there is more money in the pockets of the people than there are goods to purchase. Doing this or that legislatively will not cause inflation. Neither is all inflation harmful. We have inflation in some degree nearly all the time, but there is nothing harmful about it. When a farmer buys a work horse in the fall for \$100, when no one wants a

horse, and sells it in the spring for \$125, when everyone wants horses, that is inflation. But no one is harmed by it. If I buy 1,000 bushels of corn in October for a dollar and sell it the following May for \$1.25, that is inflation, but no one is harmed.

There is only one correction for inflation, and that is increased production. Production of civilian goods cannot be increased materially at the present time, but there are two other solutions, and only two; namely, increased taxes and enforced saving, but neither is needed.

We have in this country vast stock piles of commodities for war use. Those stock piles are a continuing brake upon the threat of inflation. So long as they exist, no inflation can occur, because the market can be completely controlled. We have heard much about holding the line under the President's order, but the President himself does not hold the line. He did not hold the line of John L. Lewis' coal miners. He did not hold the line in the case of the railway workers, or Government employees, or the steel workers; and the whole mess was created in the first instance by the ill-advised policy of Government paying outrageous prices for war work. For the first time in the history of America, pick-and-shovel laborers were paid, out of Government funds, wages ranging as high as \$100 a week. No man living can legitimately earn that much money with his hands, but our entire economic structure was wrecked by the payment or approval of such wages.

Congress passed what is known as the Stabilization Price Act. Under it the Government has complete authority to fix prices of commodities. Because of its failure to do so, we are now threatened with inflation, and the Government is attempting the futile, unnecessary expedient of paying subsidies to consumers. The payment to me of 5 cents a pound for butter that I buy and use in my home has nothing whatsoever to do with holding the price of butter. All the Administration had to do at any time was to fix prices, both of labor and commodities, and hold them there. No subsidies were needed to accomplish that, nor will subsidies accomplish it. I say to Senators that there is no reason, either moral, legal, or economic, why the money in the Federal Treasury should be used to pay the grocery bills of every Tom, Dick, and Harry in this country at a time when 9,000,000 American boys are working for their Government for \$50 a month. It is the job of O. P. A. to hold the line, but not by the payment of subsidies.

Through timidity or vacillation the Administration refused to use the one certain method provided by Congress. Instead of picking out an item here and there upon which a ceiling price was ordered, why did it not issue one horizontal order straight across the board, fixing prices upon retail merchandise and upon labor? That was the obvious course, if anything was to be done, but that course was not taken.

Last summer there was established what was called a roll-back price on butter, meat, and coffee of 10 percent. To thousands of processors of these com-

modities the Administration proposed to and is paying a subsidy out of the United States Treasury.

During the weeks while that policy was under discussion, Secretary of Commerce Jesse H. Jones appeared before the Committee on Agriculture of the United States Senate and stated, in substance, that the proposed roll-back subsidy would cost \$450,000,000 a year; that he had the money in his R. F. C. funds, and that he proposed to pay these subsidies upon the order of the President whether the Congress approved it or not, and without the necessity of an appropriation from Congress.

Further testifying, Secretary Jones said, in disapproval of the subsidy program:

If you let the law of supply and demand take its course, no subsidies are needed. The subsidy plan will reduce production instead of increasing it.

Chester C. Davis, then War Food Administrator, and since sent back to the obscurity of nonofficialdom because he did not agree with his Chief, said, in testifying before our committee:

I believe that a general dependence upon a broad subsidy program as the chief instrument in holding prices in line, or in expanding production, would be dangerous and would not accomplish the things we seek.

T. G. Stitts, Chief of the Dairy and Poultry Branch of the Agricultural Marketing Administration, stated before our committee on the same day:

The proposal to roll back the price of butter has had an unfortunate effect. Prices, for the producer, have gone down. There is no provision to indicate that the subsidy would be passed on to the farmer.

Albert Goss, national president of the Grange, one of the large farm organizations, testified before our committee. He said:

We are opposed to the use of subsidies for such purpose, because they will not work. They are inflationary and will defeat the purpose sought to be accomplished. Subsidies in lieu of fair prices will lead to post-war chaos. Subsidies pass on to future generation costs which this generation should bear. Subsidies lead to the dangerous doctrine of expecting the state to support its people. Subsidies lead to political control and when once used they are almost impossible to get rid of.

Under this subsidy program on butter and meat, the benefit to the consumer is so negligible as to be almost laughable. Under the rationing now in effect each consumer can obtain a quarter of a pound of butter a week, or 12 pounds a year. The 5 cents additional cost paid by the consumer without a roll-back, amounts to just 65 cents for the whole year. On meat it amounts to \$2 for the entire year. The entire cost to the consumer without the roll-back and subsidy is less than 1 cent a day.

The worker has plenty of money. He is receiving the highest wage ever paid. Is it not better that he, the consumer, pay this small additional cost than to take it out of the taxpayer?

Comparison of the wages of industrial workers with the pre-war average is shown by the following table:

Year and month	Wage income for employed industrial workers	Cost of living
1935-39 average.....	100.0	100.0
1941-January.....	118.7	100.8
1942-January.....	145.6	112.0
September.....	167.3	117.8
1943-January.....	173.4	120.7
February.....	177.2	121.0
March.....	181.1	122.8
April.....	184.1	124.1
May.....	186.2	125.1
June.....	185.5	124.8
July.....	186.8	123.8
August ¹	190.8	123.2

¹ Preliminary.

The foregoing data was compiled by the Bureau of Agricultural Economics.

The cost-of-living index was compiled by the Bureau of Labor Statistics.

Another thing is that whatever the amount paid for subsidies, whether it be \$800,000,000 or \$2,000,000,000, the Government does not have the money. It must borrow it from the American people. To borrow money we must pay interest, and to administer this subsidy program we must hire an army of new job holders. We then have the original cost of the subsidy, whatever it may be, plus the interest on borrowed money, plus the cost of administration. Mr. President, you and I know that when the Government handles it the cost will be two or three times the total amount of the subsidies, and who pays this bill? The taxpayer pays it.

The administration is determined upon the policy of subsidy payments, and, by hook or crook, unless this Congress emphatically says "no," it is going through with it.

As an illustration of what I mean, let me tell Senators of a conference held in the committee room of the Committee on Agriculture some weeks ago. Hon. Fred M. Vinson, Director of the Office of Economic Stabilization, appeared before a conference of 31 Senators in connection with the payment of milk subsidies. The chairman of the meeting asked for an expression from the Senators as to their feelings about the payment of subsidies. Mr. Vinson insisted that no expression of opinion be given. Nevertheless, it was given, one by one. Every Senator present—and it was not a partisan group; the Senators were about equally divided between the two parties—stated emphatically that he was opposed to subsidies. Mr. Vinson said: "We are going to pay this subsidy, nevertheless."

So I repeat that unless Congress emphatically prohibits the continuance of this policy by the passage of the bill in question, the wishes of a large majority of the Members of the Congress are going to be disregarded. Certain labor leaders have stuck a gun against the ribs of the administration, demanding higher wages, and in lieu of wages subsidies on their food bill. The administration has attempted to press the same gun against the head of Congress, but Congress knows that the gun is loaded, and we have no fear of it. Subsidies have been

tried over and over again in the history of the world and have always resulted in confusion, disaster, and chaos, and that is what is going to happen in this country if the administration is permitted to carry out its ill-advised policy.

The claim of the proponents of subsidies that we are faced with a disastrous inflation is not true. One of the leading officials of the present administration, Dr. Richard V. Gilbert, economic consultant in the Office of Price Administration, agrees with that statement. He says, in his book, *An Economic Program for American Democracy*:

The supposed danger of inflation can be disposed of briefly. The instances of runaway inflation usually cited—for example, the post-war experience in many European countries—all occurred in countries exhausted by long wars and straining their depleted resources to the breaking point. There is no danger of a rapid rise of prices. Furthermore, the instruments of monetary control already at the disposal of the Federal Government—for example, control over reserve requirements, taxation, and debt repayment—assure us that there need be not the slightest fear of inability to control any general price rise which might be regarded as excessive.

So says Dr. Gilbert, a representative of the present administration.

Mr. WILEY. Madam President, will the Senator yield?

The PRESIDING OFFICER (Mrs. CARAWAY in the chair). Does the Senator from South Dakota yield to the Senator from Wisconsin?

Mr. BUSHFIELD. I yield.

Mr. WILEY. The Senator has been speaking of inflation. Does the Senator not think that one of the great checks on inflation which the Government is just now beginning to apply, but which it might have applied in the months that are gone—and some of us have advised for a period of a year that it be applied—is the increase of consumer goods in this country?

Mr. BUSHFIELD. There is only one answer to inflation, and that is to produce more goods.

Mr. WILEY. The Senator perhaps noticed the statement which was made a few days ago that sufficient material was being released to make 2,000,000 electric flatirons. Of course, the production of consumer goods should not interfere with war production, but we know that the administration at one time thought that Russia was going to be out of the picture, and as a consequence great factories were built to produce explosives and munitions. In my own State 2 great munitions plants were built. Their operation has since been discontinued because Russia stayed in the picture. That exemplifies what I am driving at, that there are available materials for the production of a great new line of consumer goods, materials which we previously thought were absolutely and imperatively necessary for the war effort. The production of such consumer goods would act as a safety valve which would reduce the danger of inflation.

Mr. BUSHFIELD. I thank the Senator for his contribution. There is only one answer to inflation, and that is to produce more goods. We cannot pro-

duce as much of consumer goods as are demanded, but I read in this morning's newspaper an announcement by the head officials of this administration in which they said they were going to refuse to permit to go into civilian work certain commodities which were no longer needed in war work, because they wanted to hold them up to see what happened in the future.

Madam President, Professors Harper and Curtiss, of Cornell University, two of the foremost economists of this country, recently issued a statement upon this same subject. This is what they have to say:

A rising price level, no matter how slight, is inflation. The popular concept of inflation is a rapid rise, perhaps like that of World War No. 1, where wholesale prices rose from 100 to 244, or possibly an "uncontrolled" type like that which occurred in Germany in the twenties. A more modest rise than either of these is inflation, but is not commonly thought of as such.

In the history of countries, inflation (rising prices) has been occurring about half the time. Rarely has it been of the extreme type. Conspicuous instances in the world in modern times were those of France in the 1790's, and Germany in the 1920's; both were in defeated countries following major wars. Violent inflation now threatens China, following large governmental deficits and a long war. Violent inflation in the United States is unlikely.

Continuing, they say:

Inflation cannot be controlled by law or regulation of prices. Theoretically it seems possible, but in practice it is not, because it does not get at the root of the trouble and so enforcement breaks down. "Legislatures are as powerless to abrogate moral and economic laws as they are to abrogate physical laws. They cannot divorce effect from cause, either by parliamentary majorities, or by unity of supporting public opinion."

As an aid to the solution of the inflation problem, subsidies fall for two reasons: First, the subsidy payments to producers add to their spending power, which is as inflationary as an equal number of dollars received directly in price. Second, consumers' prices are held down (or possibly reduced by a "roll-back") which increases their excess spending power and exerts that much more inflation pressure on black-market operations or elsewhere.

Subsidies also add to later inflationary tendencies. This is because they add to the Federal debt. The fact that the Government pays the subsidy does not in the least prevent its being an inflationary force.

I ask the Members of the Senate to pay particular attention to this statement by these two economists:

Subsidies are an excellent device by which to maneuver producers and distribution agencies—and even consumers—into position where they are much more subject to governmental control; but as a means of controlling inflation they are a delusion, and for this purpose they yield nothing in recompense for the loss of individual freedom that goes with the plan.

Subsidies, in effect, are a means of shifting some of the cost of living from the consumers of the product subsidized to the national debt, and thus to the taxpayers. This really amounts to a shift in the cost of living from those who used the product to some who did not, rather than a reduction in the cost of living for the Nation.

Dr. John Lee Coulter, one of the leading economists of this country, and a

man of national reputation, has this to say in regard to House bill 3477, which we are now considering:

We have shown that the indices for wholesale prices on costs of living and retail prices on goods in large cities throughout the Nation have returned to normal. There is no possible justification for widespread payment of subsidies in order to make it possible for the consumers to purchase commodities at Government expense.

Roll-back subsidies now in operation certainly are inflationary in character and should be eliminated.

Moderate wage and salary adjustments, some long overdue, should not be used as a basis for hysterical cries of inflation.

Madam President, the truth of the matter is that there is not going to be any inflation, all the noise to the contrary notwithstanding. The cry of "Wolf! Wolf!" is wholly unjustified. Remove all regulations on the production of food and the problem will solve itself. The record shows wages have risen twice as fast as food and three times as fast as living costs during the last 4 years.

It is said by some who do not favor subsidies that if we do not pass a bill continuing them the administration will use our refusal to start an inflation of its own for political purposes. I do not subscribe to that fear. There have been few of the acts of the Roosevelt New Deal administration with which I have agreed. I do not wonder that he has finally seen the handwriting on the wall, and requests that we drop the name "New Deal;" but I do not believe that Mr. Roosevelt or any other man holding the office of President of the United States would under any circumstances purposely bring on a disastrous panic of uncontrolled inflation.

If we are going to roll back prices of commodities and farm products to the 1939 level, let us roll back the wages of the laboring man to a comparable price with the farmer's income.

In 1939, farm prices were only 92 percent of the 1910-14 average. The weekly factory worker's wages are 208 percent of the wages of that same period. The latest figures of the Bureau of Economic Statistics show that in August 1943, as compared to September 1942, the weekly wages of the factory worker could purchase 52 pounds more of bread, 28 quarts more of milk, 11 pounds more of butter, 19 pounds more of steak, 28 pounds more of pork chops, or 91 pounds more sugar than in 1942.

Mr. WILEY. Madam President, if the Senator will yield, let me inquire where the Senator means such amounts of food could be purchased.

Mr. BUSHFIELD. In the United States of America.

Mr. WILEY. I assume the Senator means that the worker's wages would have been sufficient to purchase that much food, provided the food had been available.

Mr. BUSHFIELD. Of course, that is so.

Dr. Wilford I. King, Professor of Economics of New York University, said the other day:

According to the United States Bureau of Labor Statistics, the cost of living in Feb-

ruary 1943 was 21.5 percent higher than the average for 1939. But what happened during this interval to the average weekly earnings of employed factory workers? According to the United States Bureau of Labor Statistics, these earnings rose from \$24.58 to \$41.12. These figures refer solely to those employed, taking no account of the large additional gains in income brought about by rising employment. The best available evidence, therefore, indicates that, in the last 4 years, the contents of the pay envelope of the average factory worker have expanded at least three times as much as the rise in the cost of living. Obviously, unless conditions change very decidedly from those existing at present, Mr. Green's worry lest the growing cost of living outstrip wage advances is quite superfluous.

Whether they know it or not, the poor as well as the rich pay the hidden tax inflicted by inflation. They pay it not only in higher prices but in shortages of automobiles, gasoline, household equipment, farm machinery, meat, canned goods, etc. Had our leaders dared to tell the people the truth and put the war on a pay-as-you-go basis, the marvelous price system—an automatic control mechanism far surpassing in efficiency anything which the mind of man can devise—would have silently and effectively taken care of both war and civilian needs, obviating all necessity of rationing except perhaps in the case of rubber. Had inflation been avoided, the O. P. A. would have been entirely unnecessary, and the army of men and women now engaged in regimenting the populace could have been busy helping to win the war. Only an absolute, ruthless dictatorship, oblivious of the wishes of the public, can interfere with the free-price system and not produce by its operations shortages of necessities and widespread black markets.

The expenditures of consumers for food as a percentage of his total income, as indicated in a table prepared by the Department of Labor, show that the percentage of incomes paid for food has declined steadily, instead of increasing.

I ask unanimous consent to have the table printed at this point in the RECORD as a part of my remarks.

The PRESIDING OFFICER. Is there objection?

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Food expenditures as a percent of total income

1929	23
1930	24
1931	24
1932	25
1933	25
1934	24
1935	23
1936	21
1937	21
1938	22
1939	21
1940	21
1941	20
1942	21
1943	20

Mr. BUSHFIELD. Madam President, I have not taken time to read the table, but I desire to call attention at this time to the fact that in 1929 the average expenditures for food, in terms of the percentage of the total income for 1929, was 23 percent. It has gone down from that, until in 1943 it was only 20 percent of the total income.

Senators have been talking of compromise. If the payment of subsidies out of the Federal Treasury to specific groups

is wrong, I say in all earnestness that a compromise does not right the wrong, and no benefit will be derived by anyone.

There will be no inflation if the administration uses the tools now in its hands for holding this so-called line.

Dr. John Lee Coulter, the economist, from whom I have heretofore quoted, in a recent statement issued by him, said:

Over a considerable period of years, the basic price-reporting agency set up by the United States Government, Department of Labor, reported regularly all details with reference to the price structure. Prices are quoted on many hundred commodities. In order to make comparisons as between price movements of different commodities and as between dates, these data have been reduced to the form of index numbers. For this purpose, the calendar year 1926 has long been accepted as the base period representing normal price levels in the United States. These statistical price index numbers have been calculated extending back over a period substantially of a hundred years.

Using price levels during the normal base or representative year 1926 as equal to 100, the Bureau shows that in October 1942 (1 year ago) the index number of wholesale prices for all commodities likewise stood at exactly 100. In other words, wholesale price levels in October 1942 had finally recovered from the low or depression levels of the depression period and had again returned to the exact level of the base period.

During the year October 1942 to October 1943 the wholesale price index number for all commodities has ranged between 100 and 104. At the very most, therefore, it may be said that wholesale prices for all commodities have ranged within the margin of probable error in collecting, calculating, and computing index numbers.

I call the attention of the Members of the Senate to this significant statement by Dr. Coulter:

There is only one conclusion which can be properly drawn, and that is we do not have any price inflation in the United States at the present time as measured by index numbers of wholesale prices.

The payment of subsidies has no effect whatsoever upon the price of commodities, and I urge Senators to approve this bill by such an overwhelming vote that those proponents of subsidies will understand that there is no compromise. Karl Marx said:

If you control the people's food, you control the people themselves.

There are those in this Government who want to control the people's food. It is within our power to prevent that control of our food. It is within our power to restore to the people of this country the handling of their own affairs, if we have the courage to take that step.

For 11 years the President has met every problem presented to him during his administration with one unvarying formula, "Spend more money." That is his answer to every problem. That is his answer today. Instead of holding the line with the power that Congress has placed in his control, he evades the issue by pleading for authority to spend more money.

This bill is more than just another piece of legislation. It goes to the very foundation of our Government and our way of life. I urge Senators to consider

it as such. I urge them to take control away from the Executive and prevent his proposed spending of more public money. I urge that Government control of food be removed and that the law of supply and demand be permitted to settle this problem.

THE BUDGET (H. DOC. NO. 426)

The PRESIDING OFFICER (Mrs. CARAWAY in the chair) laid before the Senate a message from the President of the United States, transmitting the Budget for 1945.

Mr. BARKLEY. Madam President, that is the Budget message which was read in the House of Representatives yesterday and printed in the Record. I ask that the message be received and referred to the appropriate committee without being read at this time.

The PRESIDING OFFICER. Without objection, it is so ordered; and the message with the accompanying documents will be referred to the Committee on Appropriations.

(For the President's Budget message, see pp. 140-146 of the proceedings of the House of Representatives of January 13, 1944.)

THE THREAT OF EMIGRATION FROM THE FARMS

Mr. BRIDGES obtained the floor.

Mr. WILEY. Madam President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. WILEY. I thank the Senator. I desire to take a few moments at this time particularly because the thoughts which I have in mind supplement those expressed by the distinguished Senator from South Dakota [Mr. BUSHFIELD]. He has given us a picture of the farmer and the position he occupies today.

All over America we are contemplating our post-war days with apprehension, but we are confining our apprehension to business and industry, and giving little thought to the most important individual in our economic structure—the farmer-producer, the small farmer, the dairy farmer, the farmer who grows the produce with which we maintain our day-to-day health; yes, our very life.

It is appalling to note a heavy out-migration of tenant farmers, particularly in the valley of the Mississippi River, the bread basket of this Nation, where, in 12 States producing 35.5 percent of the Nation's agricultural commodities, the decline of the rural farm population in the past decade was 758,917. Think of that. While the population of the rest of the country increased by millions, in the Mississippi Valley, the bread basket of America, the population decreased by almost one million.

Consider these figures, Madam President, in the light of today's war-production schedule, with its high wages, and think of the number of our farmers and farmers' sons and daughters who have closed up shop and gone to the cities—certainly rightfully so—to collect their share of the huge dividends now paid labor on the war-production front.

It is a rarity, indeed, these days to receive from a farmer a complacent or optimistic letter. The farmers are not complacent, nor are they very optimistic.

With the various directives, regulations, price fixings, and allotments, they are unable to determine exactly what the Government wants. The directives and regulations are being issued by various agencies of Government which are not cognizant of other regulations which in many cases have been completely contradictory, though dealing with the same farm produce. For example, the Department of Agriculture encouraged the farmer—in fact, almost pleaded with him—to produce more pork and more eggs. Then the War Food Administration packed the refrigerators, and, fearful that the eggs would spoil, dumped them on the market, and glutted the market. Of course, the bottom dropped out of the price. In the case of hogs, a similar situation existed. Farmers increased their production of hogs. Then they were unable to sell them because of various regulations from the Office of Price Administration and the War Food Administration, while in the meantime other regulations increased the cost of the feed necessary to maintain the hogs—for all practical purposes, to store the hogs—to such an extent that the farmer was losing approximately 2 cents on every pound of pork he sent to the market.

Madam President, when the tax returns of the farmers are looked over it will be seen that in many instances they are back almost to the pre-war level. Is it any wonder, then, that the farmer looks yearningly toward his fellow workers on the production front and sees how rapidly their standard of living has advanced, while the poor, befuddled farmer is at a loss to plan his crops or his own personal economic future? Is it any wonder that we find statistics on population changes between 1930 and 1940 and between 1940 and 1942 showing declines in the rural farm population throughout the 24 States in the Mississippi Valley?

The question may be asked, What has that to do with us? I invite attention to the statement of Karl Marx, which was quoted by my distinguished colleague from South Dakota. In substance it was that the one who controls the food of a nation controls the nation. This country has been independent because we have had independent farmers. It has been a nation of clear-thinking, independent individuals. They are being herded into factories and industrial centers. Is it any wonder that in the decade from 1930 to 1940 the area to which I have referred had an outward migration of 1,780,000 people? Still worse, in rural farm population there was an actual decline of 334,007. In 12 of the States from which 35.5 percent of the Nation's agricultural produce comes there was a decline in rural farm population of 758,917. The decline from May 1942 to the present day would probably give us some small idea of what we will face in the future if we do not do something for the farmer, who is cursed and damned by columnists and radio speakers for every increase in the price of food, but who does not like it when he knows that he is not receiving the cost of production from what he produces. We must do something not

only for the farmer but for the entire country. I am thinking in terms of our beloved country. We must look the problem in the face and solve it.

In a discussion with the Senator from South Dakota I used an illustration showing that the farmer received 15 cents for produce for which a friend of mine paid \$2.20 in New York at the breakfast table. If we had subsidized the farmer 15 cents, which would have been the cost of what the farmer produced, the price at the breakfast table would still have been \$2.20.

We must think this thing through. On the subject of subsidies there is a large group of white-collared individuals who think they might be benefited. That is the dangerous point in this argument. It is a psychological point. Many of the people of this country have been confused into believing that subsidies are the remedy.

I thank the distinguished Senator from New Hampshire [Mr. BRIDGES] for allowing me the privilege of making these few remarks.

THE POWER OF PUBLIC OPINION

Mr. BRIDGES. Madam President, my remarks today are on a subject which is much honored in words but too often and too cynically ignored in deeds. I refer to public opinion. We invoke its sacred name as a matter of course on all occasions, but unfortunately few seem to notice, and fewer seem to care, when concerted efforts are made to vitiate the normal processes of democratic public opinion. There is abundant reason to fear that just such efforts are now being made—under the cloak of wartime expediency and under slogans of superpatriotism—and it behooves us to examine this tendency. Our ancient American liberties are much too precious to be lost by default.

I am among those Americans who believe that a vigorous, well-informed, many-sided public opinion is indispensable to the proper functioning of our democracy, whether in peace or in war. We believe that criticism and honest discussion by an alert citizenry in full possession of all the facts are not the indulgences of willful minorities, but an integral part of the democratic process. Nor are the questions which we raise those of "suspicious souls," as the President would brand them. They are the questions of intelligent, honest Americans who, under our form of Government, have a right to ask them. The President is their representative, and they have a right at any time to ask exactly what he has done, and an equal right to ask what he has not done. That is an American right. We had better stand up to it before it vanishes in this country. Self-righteousness and name-calling must stop. The American people are simply tired of it.

We will not allow the President to dispose of the mounting criticism which this administration has earned for its failures on many fronts by describing it as the criticism of the minority that "swarms through the lobbies of the Congress and the cocktail bars of Washington" seeking "profits for themselves at

the expense of their neighbors—profits in money or in terms of political or social preferment."

The American people have a right to make this criticism. They have a right to express it in their press, over their radio, and in their elections; and it cannot be disposed of by being called the selfishness of a minority. I suspect that if no other evidence were available that this is more than a minority wall, the last elections in 1942 and 1943 should be conclusive on that point.

It is precisely in time of war, when the issues are so great and so fateful, when the sacrifices expected from the people are so colossal, that the freedoms essential to a genuine public opinion become especially important. At such a time the people surrender an exceptional amount of power to their Government, and consequently must exercise a corresponding amount of vigilance to safeguard their rights and to prevent abuse of authority. At the other end, the Government itself, loaded with unaccustomed power, has more need than ordinarily for the balance wheel of an enlightened public opinion to save it from excess and error.

But how can we hope to have the benefits of a robust and effective public opinion if we lack full and truthful information on our Government's actions and intentions? If we deny the elementary popular right of asking questions and demanding answers? If we make abject acceptance of every official policy almost obligatory by smearing every honest expression of doubt and every intelligent demand for explanations as disloyalty and disunity?

If there is one political principle which, more than any other, distinguishes the American concept of democracy, it is that government must rest upon the consent of the governed. That is the very core of the American way of life. It is what makes ours a Government of the people, not over the people.

But the consent of the governed is not an unlimited license conferred upon government, once in 4 years, to do what it pleases, and no questions asked. On the contrary, if democratic self-government is not to be perverted into arbitrary authority, that consent must be continuous. It must be constantly renewed and refreshed, and, if necessary, revised. There can be no walls of secrecy and official mystery between those who govern and those from whom they derive their powers.

The free interplay between government and people, day after day, is what gives democracy its living quality. It is a current of contact, a flow of popular energy, that cannot be broken without doing violence to the heart and vitals of our democracy. Its expression must remain varied and manifold: not only approval but dissent, not only applause but sharp protest, not only hurrah-shouting but open and courageous opposition.

That is why public opinion plays such a central role in our American scheme of things. That is why in tampering with public opinion—in cutting off its traditional rights of inquiry and discussion—we are tampering with the heart of

American democracy. Public opinion is a force that constantly reaffirms the mandate residing in government; but it is also a constant brake and corrective on officialdom as well. What are the freedoms formulated in our Bill of Rights but in essence a system of guaranties that the sources of public opinion will not be choked off or polluted?

A lively and unhampered public opinion is not a luxury reserved for bright, clear days. It is a necessity, basic and indispensable, especially in periods of trouble and social challenge. The test of any system of government is in times of crisis, and American democracy is no exception in this respect.

If ever there was a time when government should rest on popular confidence, rather than on blind and uninformed obedience, that time is now—in time of war, in time of trouble, in time of strife. If ever the enlightened consent of the governed must find full and deep expression it is now, when millions of families have sent their sons across all the seas to fight and die on land, on water, and in the air. Unless all Americans understand what they are doing and why they are doing it, unless they have a true sense of direct and genuine participation in the process of governing, their sacrifices may begin to look like a mockery.

This needs to be said today, as vigorously as possible, because a pernicious theory seems to be gaining ground in recent years in our America that silence is the supreme proof of loyalty; that blind trust in our betters is the foundation of national unity; that a padlocked mouth is the symbol of a new patriotism. No matter how it may be disguised in war paint, that theory is merely an American version of the totalitarian doctrine of some of the Axis Powers that the people's job is just to fight, die, suffer, work, obey—and keep their mouths shut.

Those who promote this strange and, for America, wholly alien notion that to criticize or to demand information is disloyal forget that in a democratic society silence is not a sign of unity but of apathy and indifference. They forget that in squelching criticism, in making it seem somehow unpatriotic and almost traitorous to ask searching questions, they are destroying public opinion as a living force. To the extent that they succeed in suppressing candid popular inquiry, they are paralyzing American democracy. Besides, why all this panicky shouting about unity? Why this extraordinary fear of division and conflict? Those who raise such cries, I suspect, are seeing ghosts. They are being scared by the figments of their own overwrought imaginations. We do not believe that American unity is so fragile, American patriotism so brittle that it cannot weather exposure to truth. We observe the spirit of the boys on all the fronts and the spirit of civilians at home and find them good, strong, and quite capable of facing realities. My advice to the scared ones who are so strangely apprehensive about the unity of the American people is to stop shouting "Unity" and remove the impediments to popular

understanding and discussion without which unity is impossible.

Frankness demands that we face another aspect of the situation. I refer to the fact that so many who occupy seats close to the mighty in our Government have much to gain and little to lose, politically, by shouting down every embarrassing question with cries of "unity." No doubt most of them actually believe the monstrous fallacy that silence is necessary for victory. But are there not others who fear that questions and discussion may conceivably reveal the weakness or failure of their own policy and who, therefore, need silence as a shield against the bitter winds of exposure? This year we are facing a great and crucial national election, one of the most decisive in the whole career of our beloved Republic. The solemn setting of bloodshed, sacrifice, and heroism gives the election additional dimensions of significance. But, in order that it may be conducted intelligently and be geared to clear reason, we must discuss, debate, re-discuss, and re-debate all the great domestic and foreign issues. Only thus can the electorate reach an enlightened decision.

There are those who would hold this crucial election in an intellectual blackout, where none of the real issues can be discerned or explored. But the American people will not permit this. They will insist on examining every vital question that confronts our Nation. Anyone who attempts to put a lid on free discussion will find that the resulting pressures of popular resentment will blow the lid and himself to bits. It is the glory of American democracy that in the middle of a war we can hold a free election—free not only with respect to an honest count of ballots but with respect to full and honest discussion of all issues. No matter how the various parties and factions may differ in the course of the election, no matter how intense the partisanship of the moment, America will emerge from the process united and strong as ever, regardless what the results may be. Free discussion, without inhibitions or prohibitions, is indeed the guaranty that the results will be truly representative and therefore truly unifying.

Those in our midst who propagate the doctrine of obedience in silence forget that under the American system governmental policies and commitments, regardless of how nobly conceived or how flamboyantly staged, are so many empty gestures unless they have the sanction of popular consent growing out of free, full, and enlightened discussion. Government simply cannot bypass public opinion. Officials, high or low, simply cannot evade the clear injunctions of the Constitution. Whenever it has been tried it has failed.

Madam President, some weeks ago our respected friend, the Speaker of the House of Representatives, attacked those Americans who dare to inquire about the policies and purposes of our own Government as well as of governments allied or associated with us in the war effort. He argued that anything short of total acquiescence in the acts and words of

those governments, known or concealed, was divisive and almost disloyal. He implied that anything short of complete faith in the wisdom and high intentions of all these governments—any attempt to curb, influence, or question their behavior—amounts to interference with the winning of the war and the shaping of the post-war world. In effect, it will be recalled, the Speaker instructed his colleagues not only to keep silent about issues uppermost in the public mind, but to prevail upon their constituents to do likewise.

To me it was a shocking speech—an attempt to slap unpatriotic labels on Americans who consider it dangerous to impose a moratorium on intelligent and informed public discussion. It seemed to me an expression of the utterly un-American illusion that surface unanimity, attested by silence or by cheering on signal from above, is the same as real unity. It seemed to me a repudiation of the American experience—recognized by Abraham Lincoln and after him by Woodrow Wilson even in wartime—that unity is the end-product of freedom, including freedom of speech and of criticism.

Was this shocking proposal of a black-out of discussion merely the personal opinion of the Speaker of the House or was it a party line laid down by political strategists hoping to win an election by default? I do not know. I know only this as a certainty, that the American people will insist on free discussion, and that no man in public life will be permitted to drape himself in the American flag and claim a monopoly on patriotism and loyalty.

Has our democratic morale sunk so low, has our trust in the American people so declined that we dare not risk candid examination of the most vital Government actions and policies? I do not for a moment believe this to be so. I am convinced that those who harbor such ideas are tragically mistaken. And they are no less mistaken in their assumption that they can bludgeon a free people into silence with slogans of unity.

At a million American dinner tables; wherever free Americans foregather in private, searching questions are being asked—questions that make manifest the people's genuine concern with public affairs and hence their genuine unity.

Yes; Americans want to know. They want to know not only that commitments have not been made to other governments, as the President told us the other day, but they also want to know whether we are trying to restrain allies who might have territorial or power ambitions. It is not enough to tell us that we are not a party to the swallowing up of some small country by one of the great European powers. We want to know in addition whether we have a clear-cut policy which indicates our objection to such imperialisms, if they should develop.

Americans want to know, Madam President, whether the national life and independence of any people in Europe—whether in the Baltic region, the Balkans or western Europe—have been endangered by American commitments, or the failure to make strong American repre-

sentations. They want to know how Poland, which was the only full ally England and France had at the beginning of the war and which has been so horribly ravaged, is to be rewarded for its loyalty and supreme sacrifices. Have we made any representation with respect to the border of Poland or is that something we are leaving entirely to Poland and her eastern neighbor? Again it is not enough to tell us we have made no commitments. The important thing is not the technical answer that we have made no commitments but what is the spirit of the negotiations, and what is the spirit of our requirements with respect to the various states of Europe.

I listened carefully and I read carefully, but I noticed not one word said about the Atlantic Charter—which we all applauded; or was it the spirit of the Atlantic Charter? No matter what the Atlantic Charter is or what it stands for, why was it not brought out? Are we still for it, or is it a thing of the past?

What about any commitment with respect to Yugoslavia, which has been a heroic and steadfast ally? Why is it that General Mikhailovich, who held his fire and covered his forces on our own request, has apparently been abandoned, and an opposition force, headed by Communists, has become the sole recipient of Allied support? Is that merely military expediency, or is it the first expression of a deeper design?

What really happened in Teheran? Why is it that the plans for a series of European confederations, advanced by Mr. Churchill and supported by many of our own leaders, have suddenly been forgotten? Granted that no commitment was made with respect to the Balkans, is it our policy to sit by and by doing nothing allow the swallowing up of the Balkan nations? Our people want to know whether the rights of smaller and weaker peoples have been traded on the auction block of power politics with the passive consent if not the open connivance of the American Government.

Mr. JOHNSON of Colorado. Madam President—

The PRESIDING OFFICER. Does the Senator from New Hampshire yield to the Senator from Colorado?

Mr. BRIDGES. I yield.

Mr. JOHNSON of Colorado. What I should like to know is, Does the Senator believe the President can make commitments, outside of military commitments? Can he make commitments as to the post-war period?

Mr. BRIDGES. In my understanding, the President cannot make commitments, but I want to know what went on at the conferences.

Mr. JOHNSON of Colorado. Did the Senator say the President can make commitments that would be binding on this country?

Mr. BRIDGES. No; I do not think he can; but I want the other countries in dealing with us to understand fully that he cannot do so.

Mr. CONNALLY. Madam President, will the Senator from New Hampshire yield?

Mr. BRIDGES. I yield.

Mr. CONNALLY. The Senator is aware of the fact that the President stated that no commitments had been made, is he not?

Mr. BRIDGES. Yes.

Mr. CONNALLY. Does the Senator accept that statement?

Mr. BRIDGES. Let me tell the Senator from Texas—

Mr. CONNALLY. I do not want to be told anything; I want the Senator to answer the question.

Mr. BRIDGES. I shall answer the question, and I shall tell the Senator something, too, if he will listen. I know what the President said, in a negative way, but I want something said in a positive way. I want to know if he told them we believed in the rights of small nations and some other things.

Mr. CONNALLY. How much more positive can anything be than when the President says no commitments were made? If the Senator is advised of any clearer language than that, I will tell it to the President, and he can call the Senator up and tell him. But I cannot conceive of anything plainer than to say that no commitments were made. It does not have to be said before a notary public, does it?

Mr. BRIDGES. Does the Senator still believe in the Atlantic Charter?

Mr. CONNALLY. I have not expressed any opinion about it, publicly or to the Senator.

Mr. BRIDGES. Does the Senator still believe that the President believes in the Atlantic Charter?

Mr. CONNALLY. I do not think that is pertinent to this inquiry. The Senator wants to know all about Latvia and Poland. Where does he stand on those questions?

Mr. BRIDGES. I want to know all these things, yes.

Mr. CONNALLY. What is the Senator's position? Where does he want the boundary between Poland and Russia placed?

Mr. BRIDGES. I am not over there negotiating that question, but I want the President to tell us, and I should think that the chairman of the Committee on Foreign Relations of the United States Senate would be the first to demand and see that the United States Senate and the American people were told what went on.

Mr. CONNALLY. The Senator from Texas will, at the proper time, when it is pertinent, certainly insist not only on the people knowing about it, but on the Senate of the United States knowing about it; and the Senator from Texas, along the line of the suggestion of the Senator from Colorado, will have no hesitancy in maintaining the rights of the United States Senate, and all constitutional rights. But the Senator from Texas is not inclined, in the midst of military operations, to try to anticipate what is going to happen after the war, and go around with a sharp stick punching every ally we have, and mouthing about someone having told something, when the President in explicit language said no commitments had been made. If the Senator wants any more assurance than that, I think he should take

a trip across the seas and privately investigate this matter.

Mr. BRIDGES. I certainly do want more assurances, and if the Senator will permit me to conclude my remarks, I shall be very glad to have him reply to them, and speak either for himself or the President.

I repeat, our people want to know whether the rights of the smaller and weaker nations and peoples have been traded on the auction block of power politics with the passive consent, if not the open connivance, of the American Government.

They want some clue to the ominous silence in recent months about the Atlantic Charter, the "four freedoms," and other statements of principle, and to the correspondingly greater emphasis on expediency, power politics, spheres of influence, and the like.

I project these typical questions not as a partisan, not as a Republican, but as an American and as a Member of the United States Senate, which has a constitutional mandate to share with the President in the treaty-making power. Again, these questions are not asked by a "suspicious soul." They are asked by a responsible American who wants to know what it is all about, and has a right to know what it is all about, and will not be put off by being called names, by being smeared, or by being treated with considered, skilled contempt.

The President recently alluded to mistakes made after the First World War. They were indeed many and grievous, but no one group or party, no one Nation, is alone to blame. Past mistakes certainly are no excuse for new and more serious ones. On the contrary, they deepen our common responsibility for clear-eyed and open-minded examination and action in absolute conformity with the law of the land.

Mr. Roosevelt has told us that he, Marshal Stalin, Mr. Churchill, Generalissimo Chiang Kai-shek, and Mr. Hull, are fully aware of the constitutional prerogatives of this body with respect to treaty-making powers, but I think it is equally as important to inform these gentlemen that the Senate will not allow itself under any circumstances to be circumvented or presented with a series of accomplished facts to the end that these, our treaty-making powers, may be practically nullified. We want to make it clearly understood that now that the President has promised us that no assault will be made on the front door of this body, we will also not permit an entrance through the back door. Only those engagements openly negotiated, freely discussed and freely ratified will bind the American people.

This needs to be emphasized, because Americans are alarmed and confused by indications of behind-the-scenes bargains which may hurt the prestige of American integrity. They can understand concealment from the enemy, but not concealment from themselves, in matters that the enemy knows only too well.

Remember that questioning and criticism will not be obliterated in any case.

They are deep-rooted habits in America, and cannot be stamped out overnight. The only issue, therefore, is whether public opinion will be muffled by threats and driven underground—or will be voiced aloud, in the American tradition, in our legislative chambers, editorial columns, and over the airwaves. The choice is a clear one: Either we shall safeguard our democratic procedures, or we shall bring into being a black market in political opinion such as exists in the dictated countries.

Whenever we suppress questions, by branding them as disloyal, we are not promoting unity, but promoting suspicion. Questions that are not asked and answered in the full light of day remain to fester in the darkness, breeding doubts, discontents and cynicism.

No one in our country has a monopoly on patriotism. We all claim equal rights in loving these United States. And we are all equally determined to win the war at any price, and to make its recurrence impossible. This business of impugning the patriotism of anyone who ventures to peer below the surface of official evasion must stop.

American cooperation in the post-war world is no longer a matter of dispute. It is no longer an issue. The issue is the nature of that cooperation, how it will be implemented, how it will work, how it will affect American interests. Nowhere is there any real doubt by this time that America is willing to participate in the reconstruction of a shattered world, that America is ready to shoulder its full share of responsibility for maintaining the peace for which we are making such huge sacrifices. That, however, does not mean that we have signed away our privilege of inquiring into the nature of that participation and the character of that responsibility. On the contrary, the very earnestness of their sentiments, their deep awareness of the importance of what is now being shaped up, impels most Americans to ask questions and to delve below the tinselly surface of official formulas.

America recognizes that it has an obligation to posterity. But it has an obligation, no less, to the present generation—to the millions who are staking their lives in battle and to their families back here. Too often in history the supposed interests of unborn generations have been made the excuse for loading hardships and injustices on those now living and suffering.

Tens of millions of American fathers and mothers, wives, and sweethearts, and children yearn to have their loved ones, now fighting on scores of battlefields, back home. They are not ashamed of that yearning. They are willing to make any necessary sacrifices, willing to prolong the painful separations as long as necessary for enduring victory. But they want to be taken into complete confidence on the whole matter. It is altogether too vital, too intimate a matter to be left exclusively to the secret devising of any three or four men—even if those men possessed all the wisdom of the ages.

The fate of our country for many decades, perhaps for many centuries to

come, is now being decided. Precisely because the enterprise is so great, so far-reaching, so pregnant with grandeur and so fraught with perils, the American people—through a freely functioning public opinion and through their elected representatives—must insist upon full participation in the process. They do not want to be presented with accomplished facts on a take-it-or-leave-it basis. Obviously it is easier to ask questions than to answer them. Admittedly it is easier to criticize than to deal with the complex problems of a world at war. That, however, must not serve as a convenient excuse for undermining the democratic processes from which American strength derives.

We have a right to ask all the questions even though all the answers are not yet available. That is the one sure way of forcing an answer to those questions that can be answered. Nor will we take evasive generalities. We expect to be treated as an intelligent people who merit the complete confidence of our Government. At the worst, our insistent demands for the truth would serve as a reminder to all concerned that the power to help reshape the world, like the power to make war, rests in America with the whole people, not with their temporary spokesmen.

In spite of the President's assurance and at the risk of repeating, it should serve as a wholesome reminder that under the American system no one man—not even the President of the United States—and no group of men can commit the Nation irrevocably to a course of action, at home or abroad, without consulting the entire people and taking them into fullest confidence.

In ordinary justice to the rest of the world, this central fact must not be obscured. It may seem to some, here and in other countries, a stupid or outmoded or embarrassing fact, but a fact it is. Political bargains and compromises that have not been tested by American public opinion have no real validity. They cannot be made to stick without recourse to the democratic procedures.

It would be unfair to encourage illusions on this subject. Those who by enforcing an artificial silence seek so desperately to head off a test by public opinion, are in truth harming the very cause they would serve. A program worked out in open collaboration with the people will have vastly more chance of popular understanding and acceptance than one that is smuggled into being over the heads of our people.

Because of the imperatives of a war crisis, we have given unwonted authority to our Government. Far from implying a suspension of public opinion, this grant of exceptional powers necessitates even greater popular controls. Moreover, a people which cherishes its traditional rights to question and criticize its own government cannot be forced or frightened into silence on the methods and motives of other governments.

Americans simply cannot comprehend why it is right for General Smuts, for instance, to speak bluntly about Russian and American policies, but wrong and well-nigh treacherous or suspicious—to put it in polite terms, as the President

says, to raise questions about British and Russian intentions. They cannot comprehend why it is legitimate for official Russian papers and spokesmen to attack American leaders, American ideas, American strategy, but disloyal and a blow to allied unity for Americans to examine frankly any aspect of Russian policy, history or intentions. It all adds up to a system of double political bookkeeping which may make sense in the stratosphere of the higher diplomacy but looks like utter nonsense down below here where we simpler mortals have our being.

Americans are instinctively wary of grab-as-grab-can power diplomacy. Check that up to the youth of our country if you will. Personally, I prefer to check it up to our practical common sense.

It is our common sense which warns us that cynical "deals" in which small nations are sacrificed on the altar of expediency to propitiate big nations may explode in our face.

It is our common sense that is offended by the suspicion that Yugoslavia or Poland or the Baltic countries—all of which have suffered grievously under the lash of Axis fury—may be used as pawns in a game called spheres of influence.

It is our common sense which dictates the feeling that we cannot afford to destroy the prestige of American integrity among the plain people of the world by seeming to support old-style division of spoils settlements.

It is our common sense which raises doubts as to the wisdom of preserving the old imperialist order in any portion of the globe, let alone permitting the extension of new imperialism.

It is our common sense, finally, which makes us so certain that there is a moral order, as well as an order of simple expediency, and that such things as justice, right, freedom, decency, respect for promises freely given—even to small nations—cannot be flouted with impunity.

In all such matters, and a hundred others, Americans want to know. Lip service to democracy is not only futile but insulting if simultaneously we make its exercise a proof of disloyalty or disunity. Public opinion is an essential ingredient in the American way of life, and it cannot function in a vacuum. It must have access to facts. It must retain its traditional privilege of asking questions, pertinent and impertinent, wise or foolish, about its own Government and allied governments. It must be encouraged to regard criticism not merely as a right but as a duty.

American idealism and American common sense are factors for world stability. They can be brought into play, however, only if they are not suppressed at home. The only kind of cooperation our beloved country can offer to a stricken world and a tormented humanity is the cooperation of a democratic, conscious, enlightened, self-governing people. Cooperation on any other terms is impossible and would in any event be doomed to failure.

I do not feel that these remarks require any apology—I happen to know that I am voicing the thoughts and

doubts of countless Americans of all political persuasions. But to anticipate the name calling that will be undertaken by those who may resent my candor, I want to set the Senate clear on my own record. That record is proof that I have always favored world cooperation. I was one of the few who voted against the Neutrality Act when the administration was still deeply isolationist and appeaser in spirit. I have never ceased to demand unstinting measures of national defense at a time when others were still smug and complacent. I have supported, and shall continue to support with every fiber of my being, the relentless prosecution of the war to the point of clear-cut victory.

America, I believe, must recognize the altered state of the world and the responsibility that flows from its power and wealth and industrial genius. But American collaboration in the building of a better world must be open, not secret; must be reasoned, not panicky; must be democratic, not bureaucratic.

I am aware that any and every sincere attempt to apprise our Government of such attitudes will be branded as partisan. That is one familiar device for shutting up critics. But the moment is too critical, the issues are too great, to allow such devices to silence us.

Nine and a half million empty chairs at the breakfast tables of America prove our interest—our stake in this war. Many of those chairs will remain vacant—a silent symbol to their loved ones of those who have given the full measure of devotion. In the mines, in the factories, on the farms, Americans are toiling and sweating to make our America in truth the world's arsenal of democracy. And so on the fields of battle and on the home front we are making our great contribution to the inevitable victory. That victory must find us as we have been since the beginning of our national history—resolute, strong, free.

THE REVENUE ACT

The Senate resumed the consideration of the bill (H. R. 3687) to provide revenue, and for other purposes.

Mr. DAVIS. Madam President, in our concern with the immediate problems presented by the pending tax bill we cannot afford to ignore, or even to give slighting notice, to the long-run aspects of war taxation as it fits into the whole pattern of our war economy. Hence, I would at this time invite the attention of the Senate to the realism of this bill in view of the wartime needs and the peacetime goals of the Nation.

A war can be financed in a number of ways, depending upon the other policies in the complete scheme of the temporary emergency control of production and distribution. There has been too great a tendency on the part of some advisers that only higher taxes than those provided in the present bill can preserve the price stability that is necessary for complete support of this total war. In making the choice between very much higher taxes and some other method of war finance, however, the Congress is confronted with conditions that exist, and that cannot be molded to fit our convenience.

The pending bill must be considered in the light of these conditions. This is the sort of realistic tax program that we need—one that will finance our worldwide effort in a manner consistent with the realistic facts that face us, one that promises long-range benefits, as well as satisfying present needs.

There are practical matters that make the burden of present taxes such that further tax increases would do inestimable harm to a great mass of our citizens. The public has a certain ability to pay taxes, and taxes should be laid so as to reach that ability. A broad tax law cannot take into consideration all of the factors influencing the taxable capacity of any individual. It cannot with fairness provide for the particular hardships of individuals with fixed incomes, for many increases represent real added effort for victory, longer hours, a shift in jobs to more skilled or more dangerous work. A broad tax law can hurt those who must live in a boom community where prices have leaped upward more than they have in the rest of the country.

It is not simply a convenient fiction that those with fixed incomes meet a serious hardship in the face of rising prices. This group, predominantly the white-collar group, have as a result of their fixed incomes incurred fixed obligations which are now like millstones around their necks. These may be financial obligations in the form of necessary mortgage or insurance payments, or they may be a pattern of expenditures which are necessitated by the section of town in which the individual lives, such as the merchants with which he must trade. The only escape for these people is a drastic cut in their standard of living even when their work contribution is of great importance to the war.

This is the realistic situation we face. We cannot tax all the incomes that we think might be taxed, even at present rates, which reach 90 percent on individuals and 95 percent on the excess profits of corporations. But if certain incomes accumulate they are not for that reason necessarily inflationary. There is still a second stage, the stage of individual saving, through which these incomes must pass before they are spent.

In the face of this situation the realistic procedure is to apply the anti-inflationary controls at this stage. If these savings are kept from the markets, and are turned to the use of the Federal Government, they are still kept from becoming dangerous dollars. This solution can be realized by continued and emphasized prosecution of the voluntary war loans, while at the same time the opportunities for inflationary wartime spending can be dried up by more effective price control, rationing, and wage control.

Madam President, the healthiest stimulus that could be given to private savings at this time would be the assurance that the Government will follow a policy of stimulating investment opportunities after the war. Such a stimulus would have the double-barreled effect of giving an incentive to businesses, large investors, and potential small stockholders to

hold their funds now so as to be prepared to take a share in a healthy post-war business. This promise of post-war business carries with it the promise of more and better goods at cheaper prices. Evidence of a real interest in a healthy domestic business will avert much of the scare buying which is rampant today.

During the First World War there was a ninefold increase in Federal expenditures, from \$724,000,000 in 1913 to \$6,700,000,000 in 1919. The national debt rose over twelvefold, from under \$2,000,000,000 in 1913 to over \$25,000,000,000 in 1919. The Treasury set out at that time to cover one-third of the war expenses by taxation. The remainder was financed predominantly by resort to the inflationary device of borrowing bank credit, which resulted in a net increase in the amount of currency in the form of cash and business and individual bank accounts. Between 1913 and 1921 the total of bank accounts virtually doubled, rising from \$19,000,000,000 to \$38,000,000,000. Even adjusted according to the change in the index of wholesale prices, bank accounts after the war totaled \$28,000,000,000 of prewar dollars.

It is true that, due to entirely inadequate direct controls on production and prices, we witnessed in the last war an unhappy inflation, not the least part of which occurred after the actual close of hostilities. That part of the situation is not by any means directly comparable with present conditions.

Despite the inflation of 1919 and 1920, and the short depression that set in during 1921, the wealth accumulated in the last war had a definite influence on the future of this Nation.

In respect to the depression in 1921, I might say that when the Senate agreed to a resolution requesting the Secretary of Labor to determine the number of employees who had been removed from industrial pay rolls in the period 1921-22, the number ascertained was approximately 7,500,000 workers.

Madam President, I ask unanimous consent to have printed in the RECORD at this point a table showing several measurements of the value of national income and expenditure from 1919 to date.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

National income, 1919-43
(In billions of dollars)

Year	Gross national product ¹		National income ²	Total income payments ³
	Commerce	Kuznets		
1919		72.6	67.6	
1920		84.2	69.7	
1921		66.8	52.6	
1922		67.8	60.4	
1923		79.7	70.0	
1924		80.1	70.0	
1925		84.2	74.6	
1926		90.4	76.8	
1927		88.9	76.2	
1928		90.8	80.1	
1929	69.4	96.8	83.3	82.6
1930	88.2	96.5	88.9	73.3
1931	72.1	68.6	54.5	62.0
1932	55.4	50.1	40.0	47.4
1933	54.8	49.1	42.3	46.3
1934	63.8	57.0	49.5	52.9
1935	70.8	62.0	55.7	58.6

National income, 1919-43—Continued
(In billions of dollars)

Year	Gross national product		National income	Total income payments
	Commerce	Kuznets		
1936	81.7	70.8	64.9	68.1
1937	87.7	79.4	71.5	72.4
1938	80.6	74.6	64.2	66.2
1939	88.6	70.8	70.8	70.8
1940	97.0	78.8	76.5	76.5
1941	119.2	95.6	92.2	92.2
1942	151.6	119.8	115.5	115.5
1943	185.0	147.0	147.0	142.0

¹ Gross national product is the total value of all goods produced minus the value of the goods consumed in the process but not minus the value of capital consumed.

² National Income Unit, Bureau of Foreign and Domestic Commerce.

³ Simon S. Kuznets, Uses of National Income in Peace and War, National Bureau of Economic Research.

⁴ The net value of goods produced, taking into consideration the cost of goods and capital consumed. National Income Unit, Bureau of Foreign and Domestic Commerce.

⁵ National income minus business savings and other small adjustments. National Income Unit, Bureau of Foreign and Domestic Commerce.

⁶ Estimated, Survey of Current Business, Department of Commerce, August 1943.

Mr. DAVIS. There has been far too little willingness on the part of the high-tax advocates to rely upon saving and the consequent Government borrowing as the first line of the fight against inflation. As an immediate wartime measure, the possibility of accumulating savings serves as an incentive where high taxes would choke off further activity, but its wartime effect of reduced incentives and of insufferable burdens upon certain parts of the economy is only one of the disadvantages of too high a rate of wartime taxation. Of greater importance than many of the problems of some present tax inequity is the task that lies before us of restoring this Nation to our traditional freely capitalistic American way of life after the war.

It is not strictly true that every dollar borrowed to finance the war today represents a partial shifting of the financial burden of the war on to future generations. In the first place, in speaking of a burden we cannot have in mind only a tax payment of a certain size, but a tax payment which must be met out of a certain sized income. The debt situation during and after the last war is an ideal case in point. I ask unanimous consent to insert in the RECORD at this point a table showing Federal receipts and expenditures, and the changes in the national debt from 1913 to date.

The PRESIDING OFFICER (Mr. TUNNELL in the chair). Is there objection? There being no objection, the table was ordered to be printed in the RECORD, as follows:

Public debt of the United States, 1912-43

Year	Re-ceipts	Expend-itures	Change in debt ¹	Gross debt at end of year	Per capita debt at end of year
	Millions of dollars	Millions of dollars	Millions of dollars	Millions of dollars	
1913	724	725	-----	1,193	\$12
1914	735	735	-----	1,188	12
1915	698	761	+63	1,191	12
1916	783	734	+49	1,225	12

Public debt of the United States, 1912-43—Continued

Year	Re-ceipts	Expend-itures	Change in debt	Gross debt at end of year	Per capita debt at end of year
	Millions of dollars	Millions of dollars	Millions of dollars	Millions of dollars	
1917	1,124	1,198	+74	2,976	\$29
1918	3,665	12,697	+9,032	12,244	116
1919	5,152	18,515	+13,363	25,482	240
1920	6,695	6,403	-292	24,288	228
1921	5,625	5,116	-509	23,977	221
1922	4,109	3,373	-736	22,963	209
1923	4,007	3,295	-712	22,350	200
1924	4,012	3,049	-963	21,250	187
1925	3,780	3,093	-687	20,516	178
1926	3,963	3,098	-865	19,643	168
1927	4,129	2,974	-1,155	18,512	156
1928	4,042	3,103	-939	17,604	147
1929	4,033	3,299	-734	16,931	139
1930	4,178	3,440	-738	16,185	131
1931	3,190	3,652	+462	16,801	135
1932	2,006	4,535	+2,529	19,487	156
1933	2,060	3,864	+1,804	22,539	179
1934	3,116	6,011	+2,895	27,053	214
1935	3,800	7,010	+3,210	28,701	225
1936	4,116	8,666	+4,550	33,779	261
1937	5,029	8,177	+3,148	36,425	282
1938	5,885	7,239	+1,354	37,165	285
1939	5,165	8,707	+3,542	40,400	308
1940	5,387	8,908	+3,521	42,968	326
1941	7,607	12,711	+5,104	48,961	368
1942	12,799	32,397	+19,598	72,422	541
1943	22,281	78,182	+55,901	136,696	998

¹ Not the same as the difference between receipts and expenditures due to changes in the Treasury's cash holdings.

² After 1937 receipts do not include social security receipts.

Sources: Annual Reports of the Secretary of the Treasury; the Budget, 1945.

Mr. DAVIS. Mr. President, it is only under such conditions of growth and development that the national debt may be reduced to manageable proportions. Whatever were the other conditions surrounding the normalcy of the twenties, this much is undeniable, that reversion to American free enterprise made it possible to carry the financial aftermath of the first great fight for freedom and democracy.

In 1919 we began to bring tax rates for corporations down very slightly from their wartime peak. But in 1921, in the face of a tremendous debt, Andrew Mellon, then Secretary of the Treasury, recommended a serious cut in Federal taxes that was designed to remove the evil of a serious deterrent to business incentive especially as it took away the reward that attracted risk capital investment. The excess-profits tax was repealed in 1921. For individuals the exemption for married couples and the credit for dependents were raised and the surtax rates were cut. The top surtax rate was reduced from 65 to 50 percent, and by 1926 the top was 20 percent.

The Nation turned to cultivating instead of drying up the sources from which future revenue must come—the industry of the people, the accumulation of capital that makes possible job-producing large industries, the freedom of legitimate enterprise, and the willingness of individuals to venture capital in enterprises which hold promises of opening up new vistas for an entire new industry.

This is the manner in which new jobs were provided and the income generated which resulted in a steady reduction of the debt, with taxes well under the wartime level. The reduction was over a billion dollars a year in the 4 best years

of the period. In such an expanding economy the wartime accumulations of funds were readily absorbed and were a part of the stimulus to that business expansion in that they encouraged individuals to spend a larger portion of their incomes in providing a market for industry.

In somewhat the same manner we must revive our private enterprise system after this war. The first step in such a preparation for the post-war period is the provision for adequate savings in the hands of both individuals and corporations which may be turned to future investment without reliance upon a system of Government assistance.

It is clear that such a policy of encouraging investment out of private savings has its own peculiar dangers that were not fully appreciated during the twenties. Particular investment opportunities offered must be subject to a general type of control designed to preserve and stimulate public confidence in the investment market. The tendency of the public as a whole to overinvest can be regulated by such influences as the banking system can exert over the economy. Private investment may be relied upon and encouraged without fear of such after effects as the crash of 1929, which was traceable to international influences as well as to abuses of the investment pattern.

This, Mr. President, I submit is a realism based upon the sound American principles which we are dedicated to preserve. It is the type of philosophy that has made this country great. It is based upon an awareness of the existing conditions into which this tax bill was born. The current bill could be better than it is on several points, but by and large it meets the present needs and still is directed to the long-run welfare of the Nation.

I hope it will be possible, when we take up the administrative bill early in this session, to undertake a simplification of the tax structure as a whole.

Mr. JOHNSON of Colorado. Mr. President, section 115 is now before the Senate. I understand that there are now pending certain perfecting amendments to that section. After they shall have been acted upon, I wish to offer a substitute for the entire section.

The PRESIDING OFFICER. The Chair knows of no perfecting amendments.

Mr. GEORGE. Mr. President, certain amendments were offered by the Senator from Michigan [Mr. VANDENBERG], who stated that they were for the purpose of perfecting the section.

Mr. JOHNSON of Colorado. That is correct.

Mr. GEORGE. Does the Senator wish to have them acted upon?

Mr. JOHNSON of Colorado. They can be acted upon, and then I wish to offer my amendment as a substitute for the entire section.

Mr. GEORGE. I understand.

Mr. FERGUSON. Mr. President, I have an amendment to offer at this time. It is on page 78—

Mr. JOHNSON of Colorado. Mr. President, the reference was to the senior

Senator from Michigan, who had certain perfecting amendments to section 115, which is now pending.

Mr. GEORGE. Mr. President, may the perfecting amendments be stated, if they have been sent to the desk? I do not know what they are.

The PRESIDING OFFICER. The amendments intended to be proposed by the Senator from Michigan [Mr. VANDENBERG] will be stated for the information of the Senate.

The LEGISLATIVE CLERK. The perfecting amendments are as follows:

On page 52, line 20, after the phrase "subsection (b) (9)", insert the following: "or so much of section 112 (d) or (e) as relates to subsection (b) (9)."

On page 54, line 1, after "112 (b) (9)", insert the following: "or so much of section 112 (d) or (e) as relates to section 112 (b) (9)."

On page 55, line 8, in the parenthesis after the phrase "subsection (b) (9)", insert the following: "so much of subsection (d) as relates to subsection (b) (9)."

Mr. GEORGE. Mr. President, I do not see the distinguished Senator from Michigan in the Chamber. I do not know whether these are mere clerical amendments or not.

Mr. JOHNSON of Colorado. They are perfecting amendments, having to do with policy. I think we could dispose of them and then go ahead with the substitute. I am not interested in the amendments in any way, except that I thought that was the proper parliamentary procedure.

The PRESIDING OFFICER. As the Chair understands, the amendments are not offered.

Mr. GEORGE. Mr. President, I am now advised that the senior Senator from Michigan was undertaking to do what has already been taken care of in some perfecting amendments which I offered this morning, and that undoubtedly is the reason why he did not remain in the Chamber and press his amendments.

Mr. JOHNSON of Colorado. Mr. President, I offer an amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Colorado will be stated.

The LEGISLATIVE CLERK. Beginning with line 13 on page 50 in the committee amendment it is proposed to strike out down to and including line 7 on page 57, and insert in lieu thereof the following:

(a) Nonrecognition of gain or loss on certain reorganizations: Section 112 (b) (relating to recognition of gain or loss upon certain exchanges) is amended by inserting at the end thereof the following:

"(10) Gain or loss not recognized on reorganization of corporations in certain receivership and bankruptcy proceedings: No gain or loss shall be recognized if property of a corporation (other than a railroad corporation, as defined in section 77m of the National Bankruptcy Act, as amended) is transferred, in a taxable year of such corporation beginning after December 31, 1933, in pursuance of an order of the court having jurisdiction of such corporation—

"(A) in a receivership, foreclosure, or similar proceeding, or

"(B) in a proceeding under section 77B, or chapter X of the National Bankruptcy Act, as amended,

to another corporation organized or made use of to effectuate a plan of reorganization approved by the court in such a proceeding, in exchange solely for stock or securities in such other corporation.

(b) Basis: Section 113 (a) (relating to basis of property) is amended by striking out paragraph (21) and inserting in lieu thereof the following:

"(21) Property acquired on reorganization of certain corporations: If the property was acquired by a corporation upon a transfer to which section 112 (b) (10), or so much of section 112 (d) or (e) as relates to section 112 (b) (10), is applicable, then, notwithstanding the provisions of section 270 of the National Bankruptcy Act, as amended, the basis in the hands of the acquiring corporation shall be the same as it would be in the hands of the corporation whose property was so acquired, increased in the amount of gain recognized to the corporation whose property was so acquired under the law applicable to the year in which the acquisition occurred."

(c) Technical amendments:

(1) Section 112 (d) (relating to gain of corporation) is amended by inserting after "subsection (b) (4)" the following: "or (10)."

(2) Section 112 (e) (relating to loss from exchanges not solely in kind) is amended by inserting after "subsection (b) (1) to (5), inclusive," the following: "or (10)."

(3) So much of section 112 (g) (defining "reorganization") as precedes paragraph (1) is amended to read as follows:

"(g) Definition of Reorganization. As used in this section (other than subsection (b) (10)) and in section 113 (other than subsection (a) (21))."

(4) Section 112 (k) (relating to assumption of liability is amended by striking out "subsection (b) (4) or (5)" wherever appearing therein and inserting in lieu thereof the following: "subsection (b) (4), (5), or (10)."

(5) Section 718, (a) (6) (A) is amended by striking out "112 (b) (3), (4), or (5), or so much of section 112 (c), (d), or (e) as refers to section 112 (b) (3), (4), or (5)" and inserting in lieu thereof "112 (b) (3), (4), (5), or (10), or so much of section 112 (c), (d), or (e) as refers to section 112 (b) (3), (4), (5), or (10)."

(d) Effective date: The amendments made by subsections (a), (b), and (c) shall be effective as if they were a part of the Internal Revenue Code, the Revenue Act of 1938, the Revenue Act of 1936, and the Revenue Act of 1934, on the date of its enactment, except that this subsection shall not affect any tax liability for any taxable year beginning prior to January 1, 1940.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. WHITE. May I ask if the amendment which has just been read has been printed?

Mr. JOHNSON of Colorado. It has not been printed in the exact form in which it appears today, but it was printed in its original form, and was before the Senate and the Finance Committee where it was given a great deal of consideration. However, the language of the present copy which is now before the Senate was prepared today by the Treasury, and the staff of the joint committee, and has not been printed in its present form.

Mr. WHITE. Mr. President, the language of the amendment sounds rather formidable to me. With all respect, I may say that it seems almost like an imposition on some of us to be asked to vote on an amendment so complicated as the

one now before us seems to be, without ever having had an opportunity to see it. Does the Senator say that the amendment has been before the Finance Committee?

Mr. JOHNSON of Colorado. The amendment was presented by me to the Senate. The amendment was referred to the Finance Committee and was considered when the revenue bill was before that committee.

Mr. WHITE. Was it rejected?

Mr. JOHNSON of Colorado. No; it was not rejected. It was agreed to in principle, but the Treasury added some riders to it, and that is the reason the amendment is here now.

Mr. WHITE. So the amendment which has been read at the desk is not the amendment which was approved by the Treasury?

Mr. JOHNSON of Colorado. The amendment which has been read at the desk is not the amendment which was prepared by the Treasury and put into the bill at the last moment. It is the same amendment which was offered by the Senator from Colorado, considered by the Finance Committee, agreed to in principle, and changed somewhat by the Treasury. Because of the fact that it was changed by the Treasury, I have had to resubmit it, and it is now before the Senate in its present form.

Mr. WHITE. I still believe it is asking a good deal of Senators to accept an amendment of this kind and importance without having been given an opportunity to read it and study it.

Mr. JOHNSON of Colorado. I will say to the Senator that the amendment was submitted on November 26, 1943. The Members of the Senate have certainly had an opportunity to study and consider it, and become informed with regard to it.

Mr. WHITE. Yes; possibly in a different form, but not in the form for which approval is now asked.

Mr. JOHNSON of Colorado. It is practically in the same form.

Mr. WHITE. I do not know what the Senator means by "practically," but according to my understanding, it is not practically in the same form as the amendment previously offered.

Mr. JOHNSON of Colorado. My understanding of "practically" is just what the language implies, so far as the Senator from Colorado is concerned.

Mr. President, as I have already stated, on November 26, 1943, I submitted the amendment which has now been read, and I ask to have incorporated in the RECORD at this point as a part of my remarks the amendment which I submitted on November 26.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

(a) Nonrecognition of loss in certain reorganizations: Section 112 (b) (9) (relating to nonrecognition of loss on certain reorganizations) is amended to read as follows:

"(9) Loss not recognized on certain reorganizations: No loss shall be recognized if property of a corporation is transferred, after December 31, 1934, in pursuance of an order of the court having jurisdiction of such corporation—

"(A) in a receivership proceeding, or

"(B) in a proceeding under section 77, section 77B, or chapter X of the National Bankruptcy Act, as amended, to another corporation organized or made use of to effectuate a plan of reorganization approved by the court in such proceeding. The term "reorganization," as used in this paragraph, shall not be limited by the definition of such term in subsection (g)."

(b) Basis of property acquired by certain corporations: Section 113 (a) (21) (relating to the basis of property acquired by certain corporations) is amended to read as follows:

"(21) Property acquired by certain corporations: If the property of a corporation was acquired after December 31, 1934, in pursuance of an order of the court having jurisdiction of such corporation—

"(A) in a receivership proceeding, or

"(B) in a proceeding under section 77B or chapter X of the National Bankruptcy Act, as amended, and the acquiring corporation is a corporation organized or made use of to effectuate a plan of reorganization approved by the court in such proceeding, then, notwithstanding the provisions of section 270 of chapter X of the National Bankruptcy Act, as amended, the basis shall be the same as it would be in the hands of the corporation whose property was so acquired, notwithstanding that the transaction may fall within another provision of section 113 (a). The term "reorganization," as used in this paragraph, shall not be limited by the definition of such term in section 112 (g)."

(c) Taxable years to which amendment applicable: The amendment made by this section shall be applicable to taxable years beginning after December 31, 1939.

Mr. JOHNSON of Colorado. Mr. President, as I have already stated, the amendment was referred to the Finance Committee, and when the revenue bill was considered the amendment was considered and agreed to in principle. The Treasury had no objections to the nature of the amendment, but it desired to add other provisions which affected the general subject. The matter was left to the Treasury to redraft and present the amendment to the Finance Committee. The Treasury redrafted the amendment and added to it a very important rider. My original amendment did not in any way affect any railroads. However, when the amendment came back from the Treasury, and when it was agreed to by the Finance Committee without an opportunity being given to study all of its provisions, it was discovered that it adversely affected a great many railroads which had become insolvent, and which were reorganizing and trying to become solvent. The amendment would adversely affect such railroad lines.

In brief, the Treasury language which was added as a rider attempted to do two things: First, it attempted to nullify the Supreme Court decision which was rendered in 1942 in the Cement Investors, Inc., case, in which the Supreme Court determined that no gain or loss to security holders was involved. The language prepared by the Treasury attempted to set aside that decision. That was the first thing which it did.

The second thing it did was in the language which is contained in paragraph (B). It attempted to change the tax laws relating to railroad companies by changing the law enacted by Congress last year, being a relief measure for insolvent railroad corporations. The Treasury language attempted in some degree to amend, limit, and change that

language. That is a very controversial matter, and my original amendment had nothing whatever to do with railroads.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. CLARK of Missouri. The fact of the matter is, so far as the record is concerned, that the Senator offered an amendment in the committee dealing with one subject, which was accepted in principle by the committee. It was agreed to in principle without any reference to its particular verbiage. The Treasury experts were instructed to write the amendment in accordance with the principle adopted by the committee. When they wrote it they put in many things not included in the Senator's amendment whatever, and not passed upon by the committee. That is what the Senator is now trying to correct. Is that not true?

Mr. JOHNSON of Colorado. The Senator is correct. The Senator has stated the situation exactly as it is.

Mr. President, the objective of the amendment which I offered has been very carefully studied by the staff of the joint committee and by the Treasury. The Treasury does not agree to it, because it does not contain the extra provisions which they wrote into the amendment; but the staff has agreed, as I understand, to the policy and to the language and to the objectives of the amendment offered by the Senator from Colorado.

It attempts to give to a corporation going through insolvency proceedings exactly the same treatment which is accorded solvent companies should they reorganize. If a solvent company were to reorganize today, it would have a certain status and certain tax advantages because of the historical basis allowed it as a policy of the tax laws enacted by the Congress, but the Treasury has contended that a company which becomes insolvent, when it comes out of insolvency and reorganizes must start out as a new company, and, therefore, if it comes out as a new company naturally it loses the historical basis for tax treatment which is accorded all other companies. The object of this amendment is not to give an insolvent company any advantage or to take anything away from it, but to maintain the status quo. That is the object of the amendment.

Mr. GEORGE. Mr. President, this amendment presents some very important questions of policy. The Senator from Colorado is quite correct in saying that an amendment substantially in this form, as I understand, if not identical with the amendment now offered, was approved in principle by the Finance Committee. The amendment was then written up. It is a somewhat lengthy amendment, and, as I say, it is an important one. The amendment finally approved is to be found in section 115 of the bill as reported to the Senate.

The Senator from Colorado now, as I understand, proposes to strike out that text and reinsert substantially, if not entirely, the text he formerly presented to the Finance Committee and on which there was a vote affirmatively approving it in principle.

The important question omitted probably is that dealing with gain or loss to the security holder in the reorganized company and the provision treating a reorganized company as a new corporation.

I think I should state to the Senate very frankly that I personally felt that, without more study, the amendment went somewhat too far when it was originally presented, but a majority of the committee felt otherwise.

I should also say that the Treasury feels strongly that the amendment should go to conference as it was finally approved by the Finance Committee and incorporated in the bill. The Senator from Colorado, however, was the author of the original amendment, and he is offering to strike out that text of the committee amendment and substitute a new amendment. In conference this whole subject unquestionably will have to be reexamined, and will be carefully reexamined, by the House conferees because of its importance. It is the viewpoint of the Treasury that it would be desirable to have in conference all questions presented in the text of the amendment as it appears in the bill rather than the substitute language now offered by the Senator from Colorado. I therefore regret that I am not in a position to accept the amendment. It is a matter for the Senate; it will have to be passed on by the Senate.

Mr. LA FOLLETTE. Mr. President, it is my recollection—and I should like to ask the Senator if it conforms with his—that this matter was brought to the attention of the committee by the Treasury experts.

Mr. GEORGE. That is correct.

Mr. LA FOLLETTE. I do not think that the impression should be left that they put something into this amendment which had not been discussed by them and by the committee.

Mr. GEORGE. No; the representatives of the Treasury did raise the issue, and they said, after the amendment was approved in principle, that they were very desirous of covering other pertinent issues and questions which would arise, and should arise, in connection with the amendment.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. JOHNSON of Colorado. I simply want to point out with reference to the statement made by the Senator from Wisconsin that, while the Treasury did talk about the relationship between the security holder and the stockholder and indicated that that matter should be dealt with at the present time, the Treasury did not at the time the matter was pending indicate to the committee that insolvent railroad companies were going to be adversely affected by the amendment which they proposed to submit. They never at any time explained that. In 1942 the Congress passed a relief measure which made it possible for railroad companies, reorganized and insolvent, to reestablish themselves, and the amendment that the Treasury presented curtailed, limited, and affected adversely the law Congress passed in 1942. I am

certain that the Treasury never said one word to the committee about the effect their proposal would have upon insolvent railroad companies.

Mr. LA FOLLETTE. Mr. President, if the Senator from Georgia will permit—

Mr. GEORGE. Certainly.

Mr. LA FOLLETTE. The Senator from Colorado may not have been there, but I have independent recollection of a colloquy which took place between Mr. Surrey and I think, though I am not positive, the Senator from Ohio [Mr. TART], and the point was brought out by Mr. Surrey that the representatives of the railroads had waited upon the Treasury and had asked for specific information months ago, and that it had not been furnished.

Mr. JOHNSON of Colorado. That was with respect to another matter entirely.

Mr. LA FOLLETTE. So, I am satisfied that the matter was discussed in my presence and in the presence of the committee.

Mr. JOHNSON of Colorado. But not with respect to railroads, if I may say so. That was never discussed by the Treasury, and I was there most of the time. The colloquy to which the Senator from Wisconsin refers between the Senator from Ohio and Mr. Surrey did take place; I recall that conversation, but it had to do with another matter not related to my amendment and it was not concerning my amendment. My amendment simply gives to an insolvent company or corporation the same treatment as the existing law now accords insolvent railroad companies, the same treatment for which we provided in 1942 for railroad companies. A great trouble with the rider which was put in is that it does, as I say, repeal, curtail, limit, and adversely affect the law which the Congress enacted a year ago in respect to insolvent railroad companies.

Mr. CLARK of Missouri. Mr. President—

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Missouri?

Mr. JOHNSON of Colorado. I yield.

Mr. CLARK of Missouri. As a member of the Committee on Finance, I should like to say that certainly the proposition was never voted on, or, so far as I know, suggested, in connection with the amendment of the Senator from Colorado, at the time of the adoption of the principle, that we were going to repeal the provisions of the 1942 law with respect to railroads. I can say that if there had been any such suggestion as that in the committee, there would have been a very vigorous contest against the whole Johnson amendment, because it was never understood, at least by some members of the committee, including myself, that the Johnson amendment, which was agreed to in principle, included the repeal of the 1942 provisions regarding railroads.

Mr. JOHNSON of Colorado. The Senator is correct, and of course I would have opposed the amendment had I thought, for one moment it would result in repealing the law.

The Senator from Georgia indicates that he would like to take the Treasury

language to conference, but so far as my vote is concerned, and so far as my position is concerned, I would have to be opposed to the whole amendment as it came back from the Treasury, for the reason that it does repeal and change adversely the 1942 statute with respect to insolvent railroad companies.

Mr. BURTON. Will the Senator from Colorado yield?

Mr. JOHNSON of Colorado. I yield.

Mr. BURTON. Am I correct in understanding that if this amendment should be agreed to in the form in which it came from the committee, it would be retroactive in its effect on some of the railroad reorganizations, when the roads were in great financial difficulty and accomplished reorganization on the basis of existing laws, and paid their taxes on that basis? If we should adopt this provision it would have a retroactive effect, would it not, and would impose greatly increased taxes over and above those in effect when they made their reorganizations, relying on existing law when they did so?

Mr. JOHNSON of Colorado. That is my understanding. So far as the Erie Railroad is concerned, it would affect it adversely to the extent of about \$6,000,000, and would affect some other railroads which had come out of insolvency and had reorganized. But I have been informed by the Treasury today that, through regulations or agreements of some kind, the retroactive features have been eliminated; I do not understand exactly how; but they tell me that that is not a current question.

Mr. BURTON. As the bill stands, the retroactive feature is in it, as I understand, and therefore if we should adopt this provision it would involve a retroactive tax on a reorganized railroad, such as the Erie.

Mr. JOHNSON of Colorado. That is my understanding.

Mr. CLARK of Missouri. What right have the Treasury to come here and ask us to enact legislation and tell us at the same time that they have already stipulated by regulation to negative the plain language of the measure they are asking us to enact? I do not understand that kind of procedure.

Mr. JOHNSON of Colorado. I do not know that it is quite fair to them to say they have done exactly that; but I was told by Mr. Surrey that at least it had been worked out, that the Erie case had been worked out. The language here does not work it out. According to the Erie officials, the language here gives them a tax bill of \$6,000,000 over what they have already settled on.

Mr. CLARK of Missouri. What right have the Treasury to agree in advance to change by regulation or construction the plain language of a statutory measure they are asking us to enact?

Mr. JOHNSON of Colorado. I cannot answer that question.

Mr. CLARK of Missouri. Nor can anyone else.

Mr. GEORGE. Mr. President, before we take a vote on the amendment, I wish to say that I had hoped we might carry this issue to conference in such a way as to have all points clearly presented.

This section as written in the bill is applicable to all corporations, and it does raise a serious question as to whether or not certain corporations, including railroads, which have gone through bankruptcy proceedings, do not lose the right of carry-over provisions after reorganization.

I do not see why all the issues would not be in conference with the adoption either of the Senator's amendment as he now offers his substitute, or the adoption of the Finance Committee amendment. It seems to me that the matter is so important that the conferees will examine it with a great deal of care, and accept it with such amendments as they desire.

I wish to make it plain that if the Senate does vote for the substitute now offered by the Senator from Colorado, who offered the original amendment, I shall be free in conference to treat of the broad questions of policy and the additional issues which are clearly raised by the Senate committee bill.

I merely wished, in the brief statement I made, to call attention to the Treasury's position about the matter and its reason for it.

I think, therefore, that there should be a vote on the substitute amendment, so that whatever decision is reached may become Senate action.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Colorado [Mr. JOHNSON] in the nature of a substitute for the amendment of the committee.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. GEORGE. Mr. President, the junior Senator from Michigan [Mr. FERGUSON] has an amendment, which I have discussed with him, and if he will present it at this time, before we proceed to the consideration of other amendments, I shall be very glad to have it disposed of.

Mr. FERGUSON. Mr. President, on behalf of the senior Senator from Ohio [Mr. TAFT] and myself I propose an amendment to section 128, the section which deals with trusts for maintenance or support of certain beneficiaries.

The bill as it now stands would give relief to certain trust taxpayers who had not taken appeals, and those who had taken appeals and had adjudicated their claims would have no relief. It is the feeling of the Senator from Ohio and myself that at the time these trusts were created the Commissioner's regulations and the adjudicated cases had held that the income derived from trusts for the benefit of minor children could not be taxable to the settlors of the trusts, except to the extent that such income was actually used for the support and maintenance of the minor children.

A case involving this question went to the Supreme Court of the United States, and the Court held that all the trust funds were taxable in the name of the grantor. They held that trust income for the benefit of minor children was taxable to the settlor of the trust as long

as there was a mere possibility, under the trust instrument, that such income could be used for the support and maintenance of the minor children, irrespective of whether or not such income was in fact so used.

After that decision, the Treasury Department, realizing that it would be unjust to apply the recent ruling in the Stuart case retroactively to taxpayers who had created trusts in reliance upon the former rule, issued a special ruling, known as I. T. 3609, which was designed to avoid hardship to taxpayers who had relied on the rule as it had existed prior to the Stuart decision.

However, the policy was not applied to those cases which had been adjudicated by the courts. As the bill now stands, it would give relief to all taxpayers except those who had their cases adjudicated. In justice and in right those people should also be covered by the statute as it is being drafted. Therefore we propose to cure this defect by amending the section on page 78, striking out lines 7 to 12, inclusive, and inserting "collection. The period within which claims", and then again on page 78, line 17, before the period, to insert a comma and the words, "and credit or refund may be allowed or made notwithstanding any provision or rule of law (other than this subsection, section 3760 of the Internal Revenue Code or a corresponding provision of prior law, relating to closing agreements, and section 3761 of the Internal Revenue Code or a corresponding provision of prior law, relating to compromises) which would otherwise prevent such credit or refund."

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. GEORGE. I discussed this amendment with the Senator from Michigan, and it has been considered by the Treasury and by the staff of the joint committee, and there is no objection to it. It simply gives to the taxpayer who has gone through the courts and had an adverse decision the same treatment that is given to the taxpayer in the same circumstance who did not go into court.

Mr. FERGUSON. That is all it does.

Mr. GEORGE. The Treasury does not object to the amendment. It provides an equitable treatment. It will probably be necessary to reconsider the vote by which the section to which this amendment applies was agreed to. I ask unanimous consent that the vote by which the section in question was agreed to, may be reconsidered.

The PRESIDING OFFICER. The Chair will state that the text under consideration is the House text, and that procedure is not required.

The amendment will be stated.

The CHIEF CLERK. On page 78 it is proposed to strike out lines 7 through 12, and to insert "collection. The period within which claim."

On page 78, in line 17, before the period, it is proposed to insert ", and credit or refund may be allowed or made notwithstanding any provision or rule of law (other than this subsection, section

3760 of the Internal Revenue Code or a corresponding provision of prior law, relating to closing agreements, and section 3761 of the Internal Revenue Code or a corresponding provision of prior law, relating to compromises) which would otherwise prevent such credit or refund."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Michigan [Mr. FERGUSON] for himself and the Senator from Ohio [Mr. TAFT].

The amendment was agreed to.

Mr. BUSHFIELD. Mr. President, I understand that the amendment on page 33, section 105, has been agreed to. Am I correct?

Mr. GEORGE. The Senator is correct; yes.

Mr. BUSHFIELD. I ask unanimous consent that the vote by which paragraph (14) under section 105 was agreed to be reconsidered for the purpose of adding thereto an amendment which reads as follows:

Retirement pay of enlisted military and naval personnel: In the case of retired enlisted personnel of the Army, Navy, Marine Corps, and Coast Guard, the amount received from the United States as retirement pay.

This amendment shall be applicable only with respect to taxable years beginning after December 31, 1943.

My amendment would come following line 11, on page 33.

I shall explain the purpose of my amendment. As I understand the law, at the present time enlisted men who are retired, disabled, or sick—and there are many of them in this country—do not have the benefit of an exemption from the provisions of the revenue act on their Government pay. I feel that we owe those men the same treatment we are giving other members of the military service.

Mr. GEORGE. Mr. President, I would have no objection to the reconsideration of the vote, because I think every Senator should have that courtesy extended him, unless the matter has been fully debated. But I would have to oppose the amendment.

There is no tax liability against any disability allowance or pay. Retired pay is a part of a salary which is deferred for a particular purpose and in accordance with a policy adopted by the Congress. The Supreme Court has often said that retired pay was a part of a salary in effect which was payable after the expiration of the active term of service. It seems to me that we could not afford to exempt from taxation retired pay.

In the case of the private, if that should be his sole income he would rarely ever be called upon to pay any income tax at all, because of the personal exemption and credit for dependent allowances. Of course if he has other income than the retired pay, he will have to pay income tax when his total exceeds his exemptions. But I think there is a clear distinction between compensation, whether it be paid currently or be paid after the term of active service, and pay for disability, or for injuries, or for sickness. In other words, where there is a

straight gratuity paid by the Government there is always a strong argument for saying that the Government ought not to turn around and tax such gratuity. That is the case in mustering-out pay. The Government has no contract to pay mustering-out pay. The men in the service are not legally entitled to it, but Congress recognizes that it should be paid. It is a gratuity in the sense that we should very properly not give it and then tax it away. But retired pay is a part of a compensation for services actually rendered over a period, and there is no element of gratuity in it.

While consenting to reconsideration of the vote by which the section was approved, I would have to oppose the amendment. I had hoped that the Senator from South Dakota would not press the matter, because we have had that question before us in various forms and on many occasions. If the Senator wishes a vote on the matter—

Mr. BUSHFIELD. I wish to ask the Senator from Georgia a question in order to be clear in my own mind with respect to the matter. The retired private during the time he is in the service receives his full pay, does he not?

Mr. GEORGE. He does, but he becomes entitled to a pay after he retires from active service.

Mr. BUSHFIELD. Is not that a gratuity?

Mr. GEORGE. No; it is not a gratuity. It is a part of his contract with his Government. If he remains in the service and is honorably discharged he is entitled to the retired pay. Whenever he meets the conditions, he is entitled to it. It does not require any act of Congress at this time.

Mr. BUSHFIELD. In the first place it did, however.

Mr. GEORGE. In the original act it did, that is true; yes. But it is a part of his compensation. It is a part of the conditions under which he becomes a member of the active military forces of the country. It is altogether different from a gratuity, or something that Congress feels should be done although it was not originally provided by law and not originally contemplated.

With respect to the matter of mustering-out pay, the men in the military service were not promised mustering-out pay originally. They were drafted. We put them in the service. We now have decided to pay them, under the bill fathered by the distinguished Senator from Kentucky [Mr. BARKLEY], from \$200 to perhaps \$500. But that is a gratuity in the sense that a proper tax policy would indicate that we would not give it and then turn around and tax it away.

Mr. BUSHFIELD. I can see the Senator's position with respect to any retired enlisted man who has sufficient income, but many thousands of poor fellows do not have any income at all except their retired pay. It must have been looked at as a gratuity at the time Congress first passed the act.

Mr. GEORGE. The retirement pay of a private would ordinarily not be taxable, because his retirement pay would in many cases be less than the personal ex-

emption and credit for dependents allowed under the income-tax law.

The PRESIDING OFFICER. Does the Senator from South Dakota insist upon his request?

Mr. BUSHFIELD. I should like to have the question put, Mr. President.

The PRESIDING OFFICER. Without objection, the vote by which the committee amendment was agreed to is reconsidered, and the question is on agreeing to the amendment offered by the Senator from South Dakota to the committee amendment.

The amendment to the amendment was rejected.

The PRESIDING OFFICER. The question recurs on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. BAILEY. Mr. President, I send to the desk the amendment, which I offer and ask to have read.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 148, after line 25, it is proposed to insert:

SEC. —. Gains and losses from involuntary conversions and from the sale or exchange of certain property used in trade or business.

Section 151 of the Revenue Act of 1942 (relating to involuntary conversions and sales or exchanges of certain property used in a trade or business) is amended by inserting at the end thereof the following:

"(f) Taxable years to which applicable: The amendments made by subsections (a) and (b) shall be effective as if they were a part of the Internal Revenue Code and title I of the Revenue Act of 1938 on the date of its enactment."

The PRESIDING OFFICER. Is there objection to the present consideration of the amendment? None is heard.

Mr. BAILEY. Mr. President, just a word of explanation. The purpose of the amendment is to place gains derived from sales of certain types of articles owned and used in business on the basis of capital gains, just as they always were up until 1938, and just as they are now. However, in the period from 1938 to 1941, inclusive, I think, by some awkwardness in the drafting of the law at that time, the Bureau of Internal Revenue seems to have been left at liberty to tax such gains as income, when as a matter of fact they are capital gains.

If the amendment is agreed to, it will place that class of gains on the same basis as that upon which they stood from the beginning until 1938, and upon which they now stand. The amendment merely proposes a correction in the taxation for a 4-year period.

I talked to the chairman of the committee, who is in charge of the bill, and I would not submit the amendment at this time except with the understanding that it is agreeable to him.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from North Carolina [Mr. BAILEY].

The amendment was agreed to.

Mr. McCLELLAN. Mr. President, I ask unanimous consent to return to pages 58 and 59 of the bill, section 117,

I offer the amendments which I send to the desk and ask to have read.

The PRESIDING OFFICER. Without objection, the amendments will be stated.

The CHIEF CLERK. The following amendments are proposed:

On page 58, lines 20 and 21, strike out "and spodumene" and insert "spodumene, and barite."

On page 59, line 5, after "spodumene", insert "barite."

On page 59, line 11, after "spodumene", insert "barite."

On page 59, line 21, after "spodumene", insert "barite."

Mr. McCLELLAN. Mr. President, the amendments, or substantially these, were presented by me to the Finance Committee. That was in the closing days of the committee's consideration of the bill, and the matter had come to my attention only at that time. The committee suggested that I secure from the War Production Board a statement or certificate with respect to this mineral and its importance—in other words, the War Production Board's recommendation regarding whether it should be included along with other minerals and metals which now are included in subsection 4 of section 117 of the pending bill, to receive the benefit of percentage depletion.

I immediately took up the matter with the War Production Board, and was advised by letter of December 21, the letter being written by Mr. Harry J. Wolf, chief of the Cadmium-Indium Section, Zinc Division, of the War Production Board. In his letter Mr. Wolf discussed the importance of this mineral, and pointed out that at that time an extensive survey and investigation was being conducted to determine the real situation with regard to the need for that mineral and the possibility of our obtaining the needed quantities of it. I ask unanimous consent to have the letter printed at this point in the RECORD, as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WAR PRODUCTION BOARD,
Washington, D. C., December 21, 1943.
Hon. JOHN L. McCLELLAN,
Senate Office Building,
Washington, D. C.

DEAR SENATOR McCLELLAN: This refers to your recent request for preliminary general information with respect to the barite situation. Exact and well-considered facts and figures are not immediately available in view of the fact that we are now conducting a field investigation designed to bring out information required as a guide in formulating our policy with respect to any official action that may have to be taken by the War Production Board in the interest of producers and users of barite. We expect to have authentic information available in about 10 days.

Barite requirements in the United States for the ensuing year are estimated as follows: Uses for well drilling, 230,000 tons; required for the manufacture of reagent chemicals, 125,000 tons; required for the manufacture of pigments, 150,000 tons; required for glass, 35,000 tons; and other uses, 20,000 tons.

During the past 60 days a critical situation has developed in the industry, which first became apparent from the failure of producers to make customary deliveries to users.

The existing situation is the resultant of several influences, all of an unfavorable nature, that appear to have developed gradually during the past few months.

In the first place, it appears that production is seriously curtailed, owing to the drafting of key men who are experienced in the industry. A second influence is the inability on the part of producers to pay high enough wages to hold their labor, which means that it may be necessary to bring about some adjustment in the wages of labor engaged in production of barite. A third factor is the price of the mined product, which is now stated to be insufficient to cover the cost and production. A fourth and important factor is the depletion of reserves. As mining operations progress, heavy overburden is being encountered and some mines have been abandoned because of this fact, inasmuch as it increases costs of development and production. Production from certain mines now in operation is threatened and might be curtailed because of this serious depletion of available ore. Little, if any, exploration work is being done, owing to lack of equipment, labor, and funds available for such purpose.

There are other minor influences, but the above combination constitutes the problem demanding solution.

Very truly yours,

HARRY J. WOLF,
Chief, Cadmium-Indium Section,
Zinc Division.

Mr. McCLELLAN. Mr. President, it will be noted that Mr. Wolf points out in the letter that barite requirements in the United States for the ensuing year are estimated as follows:

Uses for well drilling, 230,000 tons; required for the manufacture of reagent chemicals, 125,000 tons; required for the manufacture of pigments, 150,000 tons; required for glass, 35,000 tons; and other uses, 20,000 tons.

In the letter, Mr. Wolf advised that they expected the survey they were then making to be concluded within about 10 days.

Since then I have received from Mr. Wolf, of the War Production Board, another letter, dated January 11, 1944. I wish to read the letter into the RECORD at this point:

WAR PRODUCTION BOARD,
Washington, D. C., January 11, 1944.
Hon. JOHN L. McCLELLAN,
Senate Office Building,
Washington, D. C.

DEAR SENATOR McCLELLAN: Supplementing my letter of December 21, 1943, I transmit the following information and comment:

The situation in connection with the production of barites continues to grow more critical, and every possible measure must be taken to encourage added production. The individual ore deposits are not extensive, and they are depleted rapidly, necessitating the constant exploration for new sources if production is to be maintained. Plants and equipment often have to be moved and relocated.

Our information leads us to believe the depletion loss and expense of relocating should be compensated by proper allowances. Producers advise this office that without adequate allowance the development of new fields cannot be undertaken. Margins of profit at present prices do not appear to cover costs of development.

It is the considered opinion of this office that barites should be included in any list of nonmetallic minerals for which depletion allowances are to be considered. The demand for this material is increasing rapidly

and new sources of supply must be located and exploited if any large proportion of the requirements is to be fulfilled.

Very truly yours,

HARRY J. WOLF,
Chief, Cadmium-Indium Section,
Zinc Division.

Mr. President, I have discussed this matter with the chairman of the Finance Committee; and I believe the facts, as I have presented them, warrant the inclusion of this mineral among the minerals which are to receive the benefit of depletion allowances.

Mr. GEORGE. Mr. President, I believe that in this instance the depletion allowance is 15 percent, as in the case of other minerals which were included by the House, and which are to be given this allowance for the war period only.

Mr. McCLELLAN. That is correct, Mr. President, and my amendment includes only this one mineral.

Mr. GEORGE. Mr. President, I will not object to the amendment, because the letter submitted by the distinguished junior Senator from Arkansas, which he received from the War Production Board, is unusually strong.

There has been opposition by many members of the committee to the inclusion of certain minerals in the provision with respect to the depletion allowance. It is questionable whether the policy on which we have embarked is sound, but the House has included several new metals and minerals and given them a depletion allowance. The Senator from Arkansas has certainly made a meritorious case in this particular instance. I will not offer any objection to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Arkansas [Mr. McCLELLAN].

The amendment was agreed to.

Mr. McCLELLAN. Mr. President, I should like to ask the Senator from Georgia whether it is planned to complete the consideration of the bill tonight.

Mr. GEORGE. We shall not be able to do so tonight. I was about to make that statement.

Mr. McCLELLAN. I have another amendment to offer. If we are not to complete consideration of the bill tonight, I should prefer to wait until tomorrow or Monday.

Mr. GEORGE. I have asked the majority leader to have a session tomorrow. I think it will be advisable.

Mr. McCLELLAN. We have not reached the point in the bill where my amendment would be appropriate, so I shall wait until tomorrow to offer it.

Mr. GEORGE. Mr. President, I wish to offer two clarifying amendments, and I desire to get them into the bill tonight. We have already approved the principle. These amendments simply represent a change in language.

The first is on page 42, beginning in line 1, relating to the penalty for failure to make a declaration or pay installments of the estimated tax. Before that amendment can be considered, it will be necessary to have a reconsideration of

the vote by which the committee amendment was agreed to.

The PRESIDING OFFICER. Without objection, the vote by which the committee amendment, on page 42, beginning in line 1, was agreed to, is reconsidered.

The amendment offered by the Senator from Georgia to the committee amendment will be stated.

The CHIEF CLERK. Beginning with line 1, on page 42, in the committee amendment, it is proposed to strike out down to and including line 6, on page 43, and insert the following:

(d) Estimated tax:

(1) Failure to file declaration or pay installment of estimated tax:

(A) Failure to file declaration: In the case of a failure to make and file a declaration of estimated tax within the time prescribed, unless such failure is shown to the satisfaction of the Commissioner to be due to reasonable cause and not to willful neglect, there shall be added to the tax 5 percent of each installment due but unpaid, and in addition, with respect to each such installment due but unpaid, 1 percent thereof for each month (except the first) or fraction thereof during which such installment remains unpaid. In no event shall the aggregate addition to the tax under this subparagraph with respect to any installment due but unpaid, exceed 10 percent of the unpaid portion of such installment. For the purposes of this subparagraph each installment shall be considered to be an amount equal to the amount that would have been due and payable if a declaration showing an estimated tax in the amount of the correct tax had been timely filed, and one such installment shall be considered due on the 15th day of the last month of that quarter of the taxable year in which the declaration is required to be filed, and another such installment shall be considered due on the 15th day of the last month of each succeeding quarter of the taxable year.

(B) Failure to pay installments of estimated tax declared: Where a declaration of estimated tax has been made and filed within the time prescribed, in the case of a failure to pay an installment of the estimated tax within the time prescribed, unless such failure is shown to the satisfaction of the Commissioner to be due to reasonable cause and not to willful neglect, there shall be added to the tax 5 percent of the unpaid amount of such installment, and in addition 1 percent of such unpaid amount for each month (except the first) or fraction thereof during which such amount remains unpaid. In no event shall the aggregate addition to the tax under this subparagraph with respect to any installment due but unpaid, exceed 10 percent of the unpaid portion of such installment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. GEORGE. Mr. President, the second amendment is on page 43, in line 22 of the committee amendment. I think the committee amendment has already been agreed to. I ask unanimous consent that the vote by which the committee amendment on page 43, beginning with line 7, was agreed to, be reconsidered.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment offered by the Senator from Georgia to the committee amendment will be stated.

The CHIEF CLERK. On page 43, line 22, in the committee amendment, after the word "tax" it is proposed to strike out "within each quarter" and insert "within or before each quarter (excluding, in case the taxable year begins in 1943, any quarter beginning prior to September 1, 1943)"; and beginning with line 25, to strike out down to and including line 3 on page 44, and insert "amount at least as great as though computed under such regulations on the basis of the taxpayer's status with respect to the personal exemption and credit for dependents on the date of the filing of the declaration for such taxable year but otherwise on the basis of the facts shown on his return for the preceding taxable year."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. GEORGE. Mr. President, there is another amendment which has the approval of the Treasury. I am satisfied it will not meet with any objection. We provided a draw-back for alcohol used for medicinal purposes. The question has arisen as to what treatment is to be given to distilled spirits used in the manufacture of such products which remain unsold in the hands of the manufacturers on and after the effective date of this act. The American Pharmaceutical Manufacturers' Association and others have asked that alcohol falling within that description be given precisely the same treatment that we have already given in the case of alcohol used after the passage of the act. The administrative difficulties would be greatly simplified. The Treasury has no objection to this amendment.

I ask unanimous consent that the vote by which the committee amendment on page 135, after line 13, was agreed to, be reconsidered in order that this amendment may be considered.

The PRESIDING OFFICER. Without objection, the vote by which the committee amendment on page 135, after line 13, was agreed to, is reconsidered.

The amendment offered by the Senator from Georgia to the committee amendment will be stated.

The CHIEF CLERK. On page 136, after line 4, in the committee amendment, it is proposed to insert:

(e) Time for filing claim for draw-back with respect to distilled spirits used prior to effective date of title III of act: Distilled spirits used prior to the effective date of this title in the manufacture or production of medicines, medicinal preparations, food products, flavors, or flavoring extracts which are unfit for beverage purposes, and which are not covered by any claim filed in conformity with law prior to such effective date, shall be regarded as so used during the quarter in which such effective date occurs, and the claim filed by any person for such quarter shall include the draw-back claimed with respect to such distilled spirits: *Provided*, That no claim shall be allowed which was barred by any provision of any prior law.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. GEORGE. I also ask unanimous consent to offer an amendment on page 135, line 12, in the House text, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. Without objection, the amendment offered by the Senator from Georgia will be stated.

The CHIEF CLERK. On page 135, line 12, after the word "rate", it is proposed to insert a comma and "or at a rate equivalent to the war tax rate."

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Georgia.

The amendment was agreed to.

Mr. DANAHER. Mr. President, I invite the attention of the Senator from Georgia to the fact that on page 114 there is one item which was passed over on Wednesday. It deals with section 2402, in the table, under the item "Toilet preparations." The committee amendment was not acted upon at that time. I ask that the Senate now return to it.

Mr. GEORGE. Mr. President, the Senator from North Dakota [Mr. LANGER] was interested in that matter and asked that it be checked.

Mr. DANAHER. I respectfully invite the attention of the Senator from Georgia to the fact that action on the committee amendment would in no way militate against the amendment which the Senator from North Dakota had in mind, as disclosed by the RECORD. The Senator from Georgia will recall, I am sure, that what the Senator from North Dakota had in mind was an administrative change with reference to the incidence of the tax on barber shops and places of business of cosmeticians, where toilet preparations are used, rather than sold. That has nothing whatever to do with the excise rate.

Mr. GEORGE. With the understanding that it will not prejudice the right of the Senator from North Dakota if he wishes to press his amendment, it would be in order to dispose of that committee amendment, which was passed over.

The PRESIDING OFFICER. The committee amendment will be stated.

The CHIEF CLERK. Under the heading "Title III—Excise Taxes," and the sub-heading, "Sec. 302. Increases in Rates," in the table on page 114, after line 11, under the item "Toilet preparations", in the last column, it is proposed to strike out "25" and insert in lieu thereof "20."

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

Mr. WALSH of Massachusetts. Mr. President, I have several amendments in the nature of perfecting amendments to the committee amendment beginning at the top of page 142. The perfecting amendments are noncontroversial, and I should like to offer them at this time. They will require reconsideration of the vote by which the committee amendment in section 501 of the bill was agreed to. I ask unanimous consent for the reconsideration of the vote by which the committee amendment was agreed to, in order that the perfecting amendments may be in order.

The PRESIDING OFFICER. Without objection, the vote by which the committee amendment beginning at the top of page 142 was agreed to, is reconsidered.

The amendments offered by the Senator from Massachusetts to the committee amendment will be stated.

The CHIEF CLERK. On page 142, line 16, in the committee amendment, after the word "therefrom" it is proposed to insert "by an exercise or other termination of such power or control."

On page 143, in the committee amendment, it is proposed to strike out lines 1 through 4, inclusive, and insert in lieu thereof "relinquishment but no gift tax was paid with respect to such transfer or relinquishment because of the deductions and exclusions claimed on such return, and (2) the."

On page 143, line 24, in the committee amendment, after the word "from", it is proposed to insert "by an exercise or other termination of such power or control."

On page 144, line 8, in the committee amendment, after the word "relinquishment", it is proposed to strike out "and the", and strike out lines 9 through 12, inclusive, and insert in lieu thereof "but no gift tax was paid with respect to such transfer or relinquishment because of the deductions and exclusions claimed on such return, and (2) the."

The PRESIDING OFFICER. Without objection, the amendments offered by the Senator from Massachusetts [Mr. WALSH] to the committee amendment beginning at the top of page 142, will be considered en bloc. The question is on agreeing to the amendments offered by the Senator from Massachusetts.

The amendments to the amendment were agreed to.

The amendment as amended was agreed to.

Mr. CLARK of Missouri. Mr. President, I had an amendment which I intended to offer this afternoon, but in view of the obvious fact that it will be impossible to complete the consideration of this portion of the bill this afternoon, I send the amendment to the desk and ask unanimous consent that it may lie on the table and be printed, because it involves a matter of some importance.

The PRESIDING OFFICER. Without objection, the amendment submitted by the Senator from Missouri will lie on the table and be printed.

Mr. WALSH of Massachusetts. Mr. President, I have another amendment which is not controversial. I send it to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Massachusetts will be stated.

The CHIEF CLERK. At the proper place in the bill it is proposed to insert the following new section:

Sec. —. Deduction for disclaimed legacies passing to charities.

(a) Deduction in case of citizens and residents: The first sentence of section 812 (d) (relating to the deduction for charitable, etc., bequests) is amended by inserting after "if the disclaimer is made prior to the date prescribed for the filing of the estate tax return" the following: "or, in the case of a decedent dying on or before October 21, 1942,

if the disclaimer is made prior to September 1, 1944".

(b) Deduction in case of nonresidents not citizens: The first sentence of section 861 (a) (3) (relating to the deduction for charitable, etc., bequests) is amended by inserting after "if the disclaimer is made prior to the date prescribed for the filing of the estate tax return" the following: "or, in the case of a decedent dying on or before October 21, 1942, if the disclaimer is made prior to September 1, 1944".

(c) Estates with respect to which amendments applicable: The amendments made by this section shall be applicable to estates of decedents dying after February 10, 1939.

Mr. WALSH of Massachusetts. Mr. President, the amendment is not controversial. It has been prepared by the Treasury and by Mr. Stam, the chief of the staff of the joint committee. It is agreeable to the chairman of the Senate Finance Committee. It would simply perfect and correct a date in the operation of the disclaimer in connection with charitable gifts and estate taxes.

The PRESIDING OFFICER. Is there objection to the present consideration of the amendment?

There being no objection, the amendment was considered and agreed to.

Mr. GEORGE. Mr. President, there are three amendments on which there is full agreement by the staff of the joint committee and the Treasury and I am sure the Senate Finance Committee has no objection to them.

The War Shipping Administration asked for an amendment exempting from the tax imposed on the transportation of property by section 3475 of the Internal Revenue Code, amounts paid to or by the War Shipping Administration for the transportation of property by water from one point in the United States to another, except between points on the Great Lakes.

The three amendments have been approved, and I ask unanimous consent for their present consideration.

The PRESIDING OFFICER. Is there objection to the present consideration of the amendments? The Chair hears none.

The first amendment will be stated.

The CHIEF CLERK. On page 127, line 13, it is proposed to strike out "or."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The Clerk will state the next amendment.

The CHIEF CLERK. On page 127, line 14, after "property," it is proposed to insert ", or (3) amounts paid by or to the War Shipping Administration for the transportation of property by water from one point in the United States to another, except between points on the Great Lakes."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The next amendment will be stated.

The CHIEF CLERK. On page 129, line 21, before the period, it is proposed to insert "except that the amendment of

such section 3475 (b), insofar as it relates to the exemption of amounts paid by or to the War Shipping Administration, shall be applicable for the period beginning December 1, 1943, and ending on the first day of the first month which begins 6 months or more after the date of the termination of hostilities in the present war."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. WALSH. Mr. President, the views of the minority of the Finance Committee filed by me on the renegotiation provisions of the pending tax bill contained a table showing the high percentage of earnings on net worth in 1942 of 200 companies doing business with the Army. I now present, to have inserted in the RECORD, a table prepared by the Navy Department showing 50 examples of high increase in dollar profits in 1942 over the base period 1937 to 1940, together with a percentage of earnings on net worth in 1942, all before renegotiation.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Navy Price Adjustment Board—Examples of high increases in dollar profit in 1942 over base period 1937-40 along with high percentage of earnings on net worth in 1942

[All before renegotiation]

Company	Net earnings after taxes		Percent earned on net worth, 1942 after taxes
	1937-40 base period	1942	
1.....	\$259,600	\$1,183,400	49.8
2.....	148,600	1,409,700	121.5
3.....	688,400	1,603,800	133.8
4.....	814,300	7,444,000	27.7
5.....	271,000	2,850,000	104.5
6.....	188,900	1,266,100	44.8
7.....	1,125,800	14,813,900	160.0
8.....	865,700	2,596,200	36.0
9.....	119,400	331,800	59.7
10.....	19,000	165,200	58.4
11.....	1,432,700	5,704,300	47.0
12.....	23,800	171,600	110.0
13.....	479,100	1,581,000	169.0
14.....	70,400	1,414,500	66.3
15.....	94,600	1,962,800	85.0
16.....	66,500	201,100	34.6
17.....	766,000	6,681,200	204.4
18.....	441,100	2,354,100	49.1
19.....	Loss	53,100	86.0
20.....	(c)	513,000	91.6
21.....	7,400	121,700	170.4
22.....	81,600	1,985,000	151.7
23.....	727,600	1,762,300	18.4
24.....	42,400	971,000	126.5
25.....	97,300	484,800	56.3
26.....	1,362,000	4,694,200	29.6
27.....	257,000	3,765,000	33.5
28.....	36,600	864,600	87.2
29.....	23,000	101,800	47.3
30.....	231,800	919,100	54.1
31.....	5,306,900	17,503,500	62.7
32.....	9,000	170,500	126.0
33.....	43,500	2,891,200	75.7
34.....	287,000	850,200	38.5
35.....	485,000	6,145,000	86.3
36.....	137,000	584,600	81.2
37.....	8,525,300	41,089,000	90.9
38.....	251,000	1,331,000	67.6
39.....	105,700	2,263,800	149.7
40.....	403,400	5,216,000	25.0
41.....	232,300	5,069,000	181.0
42.....	1,124,000	4,516,700	47.5
43.....	42,000	175,424	175.4
44.....	66,000	1,926,300	282.1
45.....	4,000	321,000	595.1
46.....	225,400	1,737,800	50.8
47.....	75,000	500,400	68.8
48.....	18,800	139,200	61.5
49.....	13,600	124,300	25.4
50.....	111,000	481,100	37.6

¹ Began 1939.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. TUNNELL in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. BAILEY, from the Committee on Commerce:

Josh Lee, of Oklahoma, to be a member of the Civil Aeronautics Board in the Department of Commerce for the terms of 6 years expiring December 31, 1949 (reappointment).

By Mr. GEORGE, from the Committee on Finance:

Sundry surgeons for temporary promotion in the Public Health Service; and

Sundry surgeons, dental surgeons, an assistant sanitary engineer, and a sanitary engineer for promotion in the Regular Corps of the Public Health Service.

By Mr. MCKELLAR, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

THE MARINE CORPS—NOMINATION PASSED OVER

The legislative clerk read the nomination of Col. William P. T. Hill to be Quartermaster of the Marine Corps.

Mr. BARKLEY. That nomination is still to go over at the request of the Senator from South Dakota [Mr. BUSHFIELD].

The PRESIDING OFFICER. The nomination will be passed over.

Mr. WALSH of Massachusetts. Mr. President, in connection with the nomination, and for the information of the Senator who desires the nomination passed over, as well as for the information of other Senators, I should like to present for printing in the RECORD a statement and a letter in reference to the qualifications of Colonel Hill, and the reasons why he was selected to head the Quartermaster Corps of the Marine Corps.

There being no objection, the statement and letter were ordered to be printed in the RECORD, as follows:

Colonel Brown, legal assistant to Lieutenant General Vandegrift, Commandant of the Marine Corps, stated that General Vandegrift considered Colonel Hill the best qualified man in the Marine Corps to perform the duties of Quartermaster. Colonel Brown pointed out that General Vandegrift, himself, when he was appointed was not the senior general in the Marine Corps.

As you know, bureau chiefs in the Navy Department and department heads of the Marine Corps are not appointed by seniority,

but are appointed from those who are considered best qualified for the particular duties concerned. For example, Commander Moorell, of the Civil Engineers Corps, was appointed a rear admiral and chief of the Bureau of Yards and Docks, and was thus passed over the heads of all of the captains and rear admirals in the Civil Engineer Corps, and over the heads of a considerable number of commanders. In a similar manner, every officer who is now a bureau chief in the Navy Department was selected because of special qualifications, and not merely because of seniority.

Confirmation of an officer to fill the post of Quartermaster of the Marine Corps is urgent. Unless a person qualifies for this office prior to the 1st of February 1944, the law requires that the Commandant, himself, perform these duties in addition to his other duties.

The rank to which Colonel Hill is being promoted will only continue during the 4 years of his appointment to Chief of the Quartermaster Corps.

HEADQUARTERS, UNITED STATES

MARINE CORPS,

Washington, D. C., December 20, 1943.

Hon. DAVID I. WALSH,

Chairman, Committee on Naval Affairs,
United States Senate.

MY DEAR MR. CHAIRMAN: With reference to the nomination of Col. William P. T. Hill to be the Quartermaster of the Marine Corps, I have to inform you that his appointment is to fill a vacancy in that office which will be created on February 1, 1944, by the retirement for age of the present quartermaster, Maj. Gen. Seth Williams.

The law (U. S. Code, title 34, sec. 667c) provides that as vacancies occur, heads of staff departments of the Marine Corps shall be appointed for 4 years from officers whose names appear on the eligible lists for the respective departments. There is but one officer, Brig. Gen. Bennett Puryear, Jr., on the eligible list for appointment as head of the Quartermaster's Department. He has been hospitalized for the past 5 months, and has appeared before a retiring board which has found him incapacitated for service. In view of the nature of his disability (coronary thrombosis), he will unquestionably be retired.

The placing of additional names on the eligible list would require also the selection of additional colonels for permanent promotion to brigadier general of the line of the Marine Corps, since the law vests that function in the Line Selection Board. However, the act of June 30, 1942 (Public. No. 639, 77th Cong.), suspended permanent promotions for the period of the war, and it is accordingly impracticable to comply at the present time with the regular procedure prescribed in the appointment of heads of staff departments of the Marine Corps.

In these circumstances, it appears entirely proper for the President to appoint as head of the Quartermaster's Department of the Marine Corps an officer of the rank of colonel, even though his name be not on the prescribed eligible list.

General Vandegrift, the prospective commandant of the corps, has recommended the appointment of Colonel Hill, and that recommendation is concurred in by the Secretary of the Navy and myself.

Colonel Hill, who is 48 years of age and has over 26 years' commissioned service, is particularly well qualified for the office. His record throughout his career has been outstanding. As early as 1920, his services were requested because of his special technical knowledge and ability by the Alaskan Coal Commission in connection with a survey of coal fields in Alaska as a source of fuel for the Pacific Fleet. His work there over a period of 2½ years in connection with pros-

pecting and development was of such value as to call forth the commendation of the Secretary of the Interior. He has also had wide practical experience and training in all phases of military procurement and supply, with which he has been almost continuously associated in important and responsible assignments for the past 15 years.

One of his more recent assignments was that of Marine Corps liaison officer in connection with the planning and construction of the marine training camp at New River, N. C. In that capacity he rendered conspicuously valuable service and was to a great degree responsible for the rapidity with which urgently needed housing and training facilities were made available there.

Sincerely yours,

T. HOLCOMB,

Lieutenant General, U. S. M. C.,
The Commandant, U. S. Marine Corps.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. BARKLEY. I ask unanimous consent that the postmaster nominations be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

Mr. BARKLEY. I ask that the President be immediately notified of all confirmations confirmed today.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 57 minutes p. m.) the Senate took a recess until tomorrow, Saturday, January 15, 1944, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate January 14 (legislative day of January 11), 1944:

RECONSTRUCTION FINANCE CORPORATION

The following-named persons to be members of the Board of Directors of the Reconstruction Finance Corporation for terms of 2 years from January 22, 1944 (reappointments):

Charles T. Fisher, Jr., of Michigan.
Charles B. Henderson, of Nevada.
Sam Husbands, of South Carolina.
Howard J. Klossner, of Minnesota.
Henry A. Mulligan, of New York.

IN THE NAVY

Capt. Harold B. Sallada, United States Navy, to be a rear admiral in the Navy, for temporary service, to rank from the 10th day of March 1943.

Capt. Thomas E. Hipp, Supply Corps, United States Navy, to be a pay director with the rank of rear admiral in the Navy, for temporary service, to rank from the 31st day of March 1943.

Lt. (Jr. Gr.) Robert C. Sleight to be a lieutenant in the Navy, to rank from the 28th day of January 1942.

Ensign Elbert D. Sprott, Jr., to be a lieutenant (junior grade) in the Navy, to rank from the 2d day of December 1941.

Assistant Surgeon Marr Griffith to be an assistant surgeon in the Navy with the rank of lieutenant (junior grade), to rank from the 20th day of May 1943, to correct the date of rank as previously nominated and confirmed.

The following-named officers of the Naval Reserve to be ensigns in the Navy, to rank from the date stated opposite their names:

John W. Pickens, October 21, 1940.
Melvin C. Roach, August 30, 1941.
Frederick E. Woodward, September 6, 1941.
Richard C. Harper, October 14, 1941.

The following to be assistant surgeons in the Navy, with the rank of lieutenant (junior grade), to rank from the date stated opposite their names:

George S. Olmsted, August 4, 1941.
William L. Jaquith, December 20, 1941.
John J. Courtney, July 14, 1942.
Edward R. Graff, July 15, 1942.
James D. Wharton, August 1, 1942.
Howard O. Musser, September 18, 1942.
James B. Cummins, October 19, 1942.
Daniel E. Owens, February 17, 1943.
Ralph E. Kirsch, February 20, 1943.
Haskell M. Wertheimer, April 13, 1943.
William W. Wilson, June 6, 1943.

David F. Bew, June 28, 1943.
Arnold Breckenridge, July 1, 1943.
William R. Nesbitt, Jr., July 2, 1943.
Allan P. Turner, July 8, 1943.
Robert S. Sherman, Jr., July 8, 1943.
William S. Stryker, July 8, 1943.
Edward R. Woodward, July 9, 1943.
Robert J. McNamara, July 9, 1943.
Clayton S. White, July 10, 1943.
William J. Baker, July 10, 1943.
Russell A. Donald, July 10, 1943.
Walter F. Nichols, July 10, 1943.
John R. Green, July 10, 1943.
Robert W. Truscott, July 10, 1943.
Thomas H. Willcockson, July 10, 1943.
James A. Kaufman, July 10, 1943.
Karl S. Alfred, July 10, 1943.

Philip J. Parker, July 10, 1943.
Frank A. Cersosimo, July 10, 1943.
William V. Young, July 10, 1943.
David M. Baker, July 12, 1943.
Paul C. Ronniger, July 12, 1943.
Irving Sarnoff, July 17, 1943.
Thomas C. Seymour, July 19, 1943.
William E. Byrd, September 13, 1943.
Joseph H. Kurre, September 13, 1943.
Earl K. Smith, September 13, 1943.
Harry M. Brown, September 13, 1943.
Robert M. Whitrock, September 27, 1943.
James T. Jackson, October 22, 1943.
Maynard B. Gustafson, October 29, 1943.
Paul F. Christensen, December 4, 1943.
Franklin P. Allen, Jr., January 1, 1944.
Robert C. Doolittle, January 1, 1944.
Peter E. Arioli, Jr., January 1, 1944.
George M. Cravey, January 1, 1944.
Hilburn D. Gilliam, January 1, 1944.
Joseph B. Dominey, Jr., January 1, 1944.
Charles H. Wilson, January 1, 1944.
James S. Haimsohn, January 1, 1944.
Louis M. Cartall, January 1, 1944.
Vincent J. Rizzo, January 1, 1944.
Charles H. Alper, January 1, 1944.
Richard E. Leigh, Jr., January 1, 1944.
William D. Dannacher, January 1, 1944.
Wade H. Boswell, January 1, 1944.
Robert E. Switzer, January 1, 1944.
Sherman A. Minton, Jr., January 1, 1944.
Robert M. Campbell, January 1, 1944.
Roy M. Kash, January 1, 1944.
John L. Barrett, January 1, 1944.
Stuart W. Rose, January 1, 1944.
Leroy E. Smale, January 1, 1944.
John J. Fluhrer, January 1, 1944.
James W. Sargent, January 1, 1944.
William G. Wiest, January 1, 1944.
Wendell A. Prough, January 1, 1944.
Walter H. Jarvis, Jr., January 10, 1944.
Robert I. Boyd, January 15, 1944.
Benjamin F. Edwards, January 15, 1944.
Robert G. Fisher, January 15, 1944.

Ensign George E. Thode, D-V (G), United States Naval Reserve, to be an assistant paymaster in the Navy, with the rank of ensign, to rank from the 30th day of May 1940.

Ensign Russell G. Delaney, A-V (N), United States Naval Reserve, to be an ensign in the Navy, to rank from the 1st day of November 1939.

IN THE MARINE CORPS

Col. William E. Riley to be a brigadier general in the Marine Corps, for temporary service, from the 1st day of April 1943.

CONFIRMATIONS

Executive nominations confirmed by the Senate January 14 (legislative day of January 11), 1944:

POSTMASTERS

MARYLAND

Emma B. Gardner, Arnold.
William E. Bowman, Silver Spring.

MASSACHUSETTS

Hester L. Sherman, Brimfield.
Priscilla C. Turner, Greenbush.
Rufus O. Case, Halifax.
Loring Goodspeed Jones, Jr., Marston's Mills.

Fred T. Webb, North Westport.
Fred L. Strong, Stow.
Ernest G. Barnes, Sturbridge.
Edmund F. Peck, West Wareham.

TEXAS

Ora D. Morgan, Bronson.
Vera B. Elkin, Channing.
Audria W. Sheffield, Daisetta.
Charlie B. O'Bryan, De Berry.
Lillian G. Sherrieb, Higgins.
Ollie Elaine Burditt, La Ward.
Walter Kurz, Somerset.
Lawrence E. Charlesworth, South Houston.

HOUSE OF REPRESENTATIVES

FRIDAY, JANUARY 14, 1944

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father in heaven, from whom all blessings flow, we praise Thee for Thy holy, immortal symphonies which invite us, for the springtime of hope which sustains and comforts us, and for the gentle compulsions which lure us on. However numerous the aggressive devices, bless us with a multiplied sense of our duty. We rejoice that deep down in the human soul is a power as secure as time. Let us build that life which walks with Thee and draws its strength and courage from those sources which touch the priceless realities of life.

Dear Lord, keep us free from the sins of presumption and lead us to moments of insight and meditation that the strange and subtle ministry of Thy spirit may rest upon us, guarding us against the inflow of evil passions into our better natures. Forgive our tempers, our fatal desires, and help us to learn the lesson of our Lord, who, when He was reviled, reviled not again. At the altar of our souls may we humbly pray with the psalmist, "Search me, O God, and know my heart, try me and know my thoughts, and see if there be any wicked way in me and lead me in the way everlasting." O, speak to us and fold us in the bonds of a common purpose and the Lord ever direct us to put first things first—God,

home, and native land—dissolving every discordant note into a harmony that gives promise of a glorious future. Through Christ, our Redeemer. Amen.

The Journal of the proceedings of yesterday was read and approved.

SOLDIERS' VOTE BILL

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my own remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. RANKIN. Mr. Speaker, this morning the Committee on Election of President, Vice President, and Representatives in Congress reported the soldiers' voting bill which passed the Senate sometime ago, with such amendments as were deemed necessary to enable every man and woman who is qualified to vote and who is now serving in our armed forces, to vote by absentee ballot in the coming election.

The committee instructed me to make the report. We are going to do everything we can to get this bill through as early as possible, because it is the only constitutional method by which we can accomplish what we are all driving at, and that is to enable the men and women in our armed forces to vote in the coming election. It would not only enable them to vote for President, Vice President, Members of the House and the Senate, but it would also enable them to vote for State and county officers from Governor to constable. I believe when this bill comes to the House with these amendments added it will meet with the approval of at least three-fourths, if not 90 percent of the Members of this body. I hope we can pass it, as amended and return it at once to the Senate, and that the Senate will immediately agree to the amendments, so that the States may move on with their program of preparing to get these ballots to the men and women in our armed forces.

Mr. SPRINGER. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. SPRINGER. I wish to state to the gentleman from Mississippi that in my own State of Indiana they are now preparing to call a special session of the legislature to take this matter up.

Mr. RANKIN. That is being done by many States. Georgia led the way, and other States are rapidly falling in line.

Mr. Speaker, under permission to extend my remarks, I am inserting a copy of the Senate bill 1285 as it was reported from our committee this morning. It reads as follows:

S. 1285

An act to facilitate voting, in time of war, by members of the land and naval forces, members of the merchant marine, and others, absent from the place of their residence, and for other purposes

Be it enacted, etc., That the Congress hereby expresses itself as favoring, and recommends to the several States the immediate enactment of, appropriate legislation to enable each person absent from the place of his

residence and serving in the armed forces of the United States or in the merchant marine of the United States, or serving in the American Red Cross, the Society of Friends, the Women's Auxiliary Service Pilots or the United Service Organizations outside the United States and attached to and serving with the armed forces of the United States, who is eligible to vote in any election district or precinct, to vote by absentee ballot in any primary or general election held in his election district or precinct in time of war; and in order to afford ample opportunity for such persons to vote for Federal, State, and local officials and to utilize the absentee balloting procedures of the various States to the greatest extent possible:

(a) It is recommended that the several States, in order to avoid expense, duplication of effort, and loss of time, shall accept, as applications for absentee ballots under such States' absentee balloting laws and as applications for registration under such States' election laws, the form of post card (when duly executed by a person to whom this act is applicable) provided pursuant to section 3 of the act of September 16, 1942 (Public Law 712, 77th Cong.), of which some 11,000,000 have been prepared and are available for such purposes, notwithstanding that such post cards refer to the ballot being applied for as an "official war ballot."

The form of the post-card application referred to is as follows:

(Date)

Secretary of state of _____:
Being on active duty in the armed forces of the United States and desiring to vote in the coming election, I hereby apply for an official war ballot.

My home address is _____,
(Number and street)
in the city, town, or village of _____,
in the county of _____, in the
State of _____, and my voting
district or precinct to the best of my knowl-
edge is _____. I desire that
the ballot be sent to me at the following
address _____

(Signed)

Signature certified by:

(To be signed by any commissioned officer)

Upon the other side of such post card is printed the following:

Free
(Official war ballot)

Secretary of state of _____,

(City)

(State)

The Secretary of War and the Secretary of the Navy, wherever practicable and compatible with military operations, and the Administrator of the War Shipping Administration, are directed to cause such post-card applications to be distributed to persons to whom this act is applicable, outside of the United States not later than August 15, 1944, and within the United States not later than September 15, 1944. If such post-card applications already printed are not sufficient in number to supply the persons to whom this act is applicable, it shall be the duty of the Secretary of War, the Secretary of the Navy, and the Administrator of the War Shipping Administration to cause to be printed an additional amount of such post-card applications so that all of the persons to whom this act is applicable may be furnished with such application.

(b) It is recommended that the secretary of state of each of the several States, upon receipt of any such post-card application, promptly forward it to the proper county,

city, or other election official or officials in order that the request for an absentee ballot may be acted upon as expeditiously as possible.

(c) It is recommended that the several States cooperate, to the end that county, city, or other election officials be authorized and instructed, upon receipt of an application made upon such a post card, to mail promptly to the voter making the application, if legally permissible under the laws of the State, a suitable absentee ballot, including therewith a self-addressed envelope for the use of the voter in returning the ballot and any instructions to govern the use of such ballot and envelope.

(d) It is recommended, so that the envelope in which the ballot is sent to the voter, and the envelope supplied for the return of the ballot, may be identified by Post Office Department and other authorities as carrying an election ballot, that there be printed or stamped in a conspicuous place on each such envelope the words "Official Election Ballot." It is further recommended that, in the case of States in which no provision is made, either on the envelope or separately, for sending with the absentee ballots a printed form to be used by a voter for the purpose of establishing his legal right to vote, appropriate action be taken to have printed and enclosed with absentee ballots mailed in response to applications received on the post cards hereinbefore referred to, a form for the signature and oath or affirmation of the voter; and it is suggested that a form substantially as follows would be appropriate for such purpose:

OATH OF ELECTOR FOR VOTING IN THE GENERAL ELECTION TO BE HELD IN 1944

I do hereby swear (or affirm) that—

(1) I am a citizen of the United States;

(2) The date of my birth was _____;

(3) For _____ years preceding this election my home residence has been in the State of _____;

(4) For _____ years preceding this election my home residence has been in the (city, town, or village, if any) of _____, in the county of _____, at (street and number, if any, or rural route) _____;

(5) I am (check appropriate blank)—

(a) in the armed forces of the United States _____ ();

(b) in the merchant marine of the United States _____ ();

(c) in the American Red Cross (), the Society of Friends (), the Women's Auxiliary Service Pilots (), or the United Service Organizations (), outside the United States, and attached to and serving with the armed forces of the United States; and

(6) I have not voted and do not intend to vote in this election at any address other than the above; and that I have not received or offered, do not expect to receive, have not paid, offered, or promised to pay, contribute, offered, or promised to contribute to another, to be paid or used, any money or other valuable thing as a compensation or reward for the giving of a vote at this election, and have not made any promise to influence the giving or withholding of any such vote; and that I have not been convicted of bribery or any infamous crime, or, if so convicted, that I have been pardoned or restored to all the rights of a citizen, without restriction as to the rights of suffrage.

(Voter must write his usual signature here and oath must be administered and attested.)

Subscribed and sworn to before me this _____ day of _____, 1944.

(Commissioned, noncommissioned, or petty officer not below the rank of sergeant (or its equivalent), or other person authorized to

administer and attest this oath, shall write his name here.)

(Officer or other person signing above shall print his rank, rating, or title clearly here.)

(e) It is recommended that, in States where the voter's absentee ballot will not be available for mailing to the voter 45 days prior to the general election in 1944, such States cause to be made such changes in the election laws of their States as will lengthen such time; and that all States waive registration of all men and women in the military service who, by reason of such services, have been deprived of an opportunity to register.

(f) It is further recommended that the several States, in order to reduce the weight and bulk for air transport of absentee voting material being sent to persons to whom this act is applicable, reduce in size and weight of paper, as much as possible, envelopes, ballots, and instructions for voting procedure.

SEC. 2. (a) It shall, wherever practicable and compatible with military operations, be the duty of the Secretary of War, the Secretary of the Navy, and the Administrator of the War Shipping Administration, respectively, to cooperate with appropriate State officers and agencies in transmitting to and from persons to whom this act is applicable, making application therefor to their several States, such absentee ballots, and envelopes to be used in connection therewith, as may be provided under the laws of the several States for the use of such applicants, and to cooperate in the execution by such applicants of oaths in connection with such ballots.

(b) Such post cards, ballots, and envelopes, and instructions for voting procedure, shall be transmitted free of postage, including airmail postage, in the United States mails. The Secretaries of War and Navy, and the Administrator of the War Shipping Administration, shall take all steps necessary to give to the transmission and delivery of such post cards, ballots, envelopes, and instructions for voting procedure priority over all unofficial communications and priority over official communications except where, in the judgment of the appropriate military and naval authorities, such priority would interfere with the effective prosecution of the war. Ballots cast outside the United States shall, wherever practicable and compatible with military operations, be transmitted by air.

(c) As used in this act—

(1) the term "United States" used geographically includes only the territorial limits of the several States of the United States and the District of Columbia; and

(2) the term "members of the merchant marine of the United States" means persons employed as officers or members of crews of vessels documented under the laws of the United States and persons enrolled for such employment with the United States War Shipping Administration, but does not include those in service or enrolled for service on the Great Lakes or the inland waterways.

SEC. 3. The act of August 2, 1939, entitled "An act to prevent pernicious political activities," as amended, is hereby amended by adding thereto the following new sections:

"SEC. 22. It shall be unlawful for any officer of, or person employed in, the executive branch of the Federal Government, or any agency or department thereof, including the Army and Navy, to deliver or cause to be delivered to persons in the armed forces of the United States any general communication, Government magazine, Government newspaper, motion-picture film, or other literature or material, or to make, or cause to be made, any broadcast to the armed forces of the United States, paid for in whole or in part with Government funds, or sponsored by the Government, or any officer, agency, or department thereof, including the Army and Navy, containing political argument or

political propaganda of any kind designed or calculated to affect the result of any election for President, Vice President, Presidential elector, Member of the Senate, or Member of the House of Representatives, except as hereinafter provided:

(1) Nothing herein shall prohibit the rebroadcast over Government-controlled radio stations of any political address, but equal time must, if requested, be given for such purposes to representatives of each political party which polled at least 10 percent of the votes cast in the most recent Presidential election.

(2) Nothing herein shall prevent the distribution to members of the armed forces of books, magazines, and newspapers which have a general circulation in the United States, or of servicemen's magazines or newspapers, or the presentation to members of the armed forces of motion-picture films, radio broadcasts, or rebroadcasts; but no such distribution or presentation shall be undertaken by any Federal agency: *Provided, however,* That nothing herein shall prevent or interfere with the customary activities of the War Shipping Administration or the United States Maritime Commission or the War, Navy, and Post Office Departments.

"SEC. 23. It shall be unlawful for any censor or other member of the executive branch of the United States Government to censor or interfere with any letter or communication addressed to an individual member of the armed forces for the purpose of removing therefrom political literature or political arguments or other matter sent to such individual members of the armed forces by any individual, corporation, or political committee, unless such literature or other matter contains information which may be of value to the enemy in their prosecution of the war.

"SEC. 24. Any person who violates the provisions of section 22 or section 23 hereof either within or outside of the United States shall upon conviction thereof be fined not more than \$1,000 or imprisoned for not more than 1 year, or both."

SEC. 4. There is authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

SEC. 5. Section 3 of the act of September 16, 1942 (Pub. Law 712, 77th Cong.), is hereby repealed.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that I may extend my own remarks and include therein a copy of the bill as reported by the Committee on Election of President, Vice President, and Representatives in Congress.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MURPHY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MURPHY. Mr. Speaker, having just listened to the remarks of the gentleman from Mississippi and his claim of fairness, let me say that I hope sincerely that when the rule comes on the floor it will not be a closed or gag rule but, on the contrary, of such a nature that those who really want to give the soldiers a vote will have an opportunity so to do. I feel from what I have read and heard that amendments to the bill will be vitally necessary. The soldiers—every soldier—should have a right to vote. Let us not make a mockery of justice.

ADJOURNMENT OVER AND PROGRAM FOR WEEK OF JANUARY 17

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, and I shall not, I simply wish to inquire as to the program for next week.

Mr. McCORMACK. On Monday the mustering-out pay bill will come up.

I understand the Committee on Foreign Affairs has reported out a bill in reference to implementing the United Nations Relief and Rehabilitation Agreement. I believe the report has not yet been filed, but it is the intention of the leadership to bring that bill up as soon as possible, and, if it can be called up next week, it will be.

Mr. MARTIN of Massachusetts. That would follow this soldier bill?

Mr. McCORMACK. Yes.

The soldiers' voting bill we naturally want to bring up as soon as possible, and, if a rule is reported out on that, no matter what our views may be on one side or the other, I feel it should be disposed of as quickly as possible because it is important, in the final analysis, to know what kind of bill Congress is going to pass.

Mr. MARTIN of Massachusetts. I agree with the gentleman.

Mr. McCORMACK. Without in any way expressing my own views, because they would be irrelevant now, I think it is only right that that bill should be brought up as soon as possible.

Mr. MARTIN of Massachusetts. Then we may expect a rather full week.

Mr. McCORMACK. Yes.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mrs. ROGERS of Massachusetts. There will be plenty of time undoubtedly for full debate on the United Nations relief and rehabilitation bill.

Mr. McCORMACK. I may say to the gentleman from Massachusetts that whatever her committee agrees among themselves as to time for debate will be agreeable to me; as the gentleman knows I have always tried to accommodate myself to the needs and wishes of that committee.

Mrs. ROGERS of Massachusetts. I know the gentleman does and he has great interest in the bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts that when the House adjourns today it adjourn to meet on Monday next?

There was no objection.

EXTENSION OF REMARKS

Mr. CRAVENS. Mr. Speaker, I ask unanimous consent that the gentleman from Arkansas [Mr. NORRELL] may extend his own remarks in the Appendix on the servicemen's voting bill.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MANSFIELD of Montana. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein some material on education for veterans.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

IMPORTATION OF GRAIN FROM CANADA

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my own remarks, and to include therein certain telegrams dealing with what I have to say.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. O'CONNOR. Mr. Speaker, last December 8, when House Joint Resolution 171, to permit the importation of grain from Canada entry free for a period of 90 days, came before this House, I not only voted against the bill but I spoke against it. In the light of subsequent events I feel my action at that time now more justified than ever.

I pointed out at that time that grain was rotting on the ground for lack of storage and boxcars to transport it. Nevertheless, the bill passed. Well, the situation has not materially changed. Grain elevators in the West are full to capacity and there is still wheat on the ground in several Western States—as of last night, there were 538 blocked elevators in 7 Western States—60 in Montana, 228 in North Dakota, 99 in South Dakota, 30 in Minnesota, 79 in Iowa, 36 in Nebraska, and 6 in Missouri.

Yet, notwithstanding that fact the Office of Defense Transportation has been ordered to start supplying Canada with 200 boxcars a day to relieve the congestion of their elevators and transport this duty-free wheat into the United States and this, notwithstanding the fact that the railroads have not enough cars to relieve the congestion still existing in the West.

Now, in the first place, unless some executive power exists that I am not aware of, no one has any authority to order any boxcars of any railroad to be earmarked for consignment outside of the United States. In the second place, it seems very peculiar to me that we should be taking badly needed cars away from our own people in order to get 40,000,000 bushels of wheat out of Canada into the United States duty free. Canada right now owes us 8,139 cars, due to the unfavorable car exchange balance, which are, the Lord only knows where. The average turn-around time on cars in the United States is 14.2 days per car. The cars going to Canada take almost twice as long to return. Now with between 50 and 60 percent of the grain in the Northwest still remaining on the farms—which is deteriorating rapidly if not properly stored—as is estimated by a person who should know, I think it a very shortsighted and unfair policy to, at this time, insist on emptying Canada's elevators. I think that charity should begin at home.

MINNEAPOLIS, MINN., January 12, 1944.
HON. JAMES F. O'CONNOR,
House of Representatives,

Washington, D. C.:

All our elevators blocked account no cars for shipments. How come Eastman orders Northwest railroads furnish cars to Canada? Montana farmers entitled to more consideration. Appreciate your protesting this action. Advise.

FAIRVIEW MILL CO.

MINNEAPOLIS, MINN., January 13, 1944.
CONGRESSMAN JAMES F. O'CONNOR,
House Office Building,
Washington, D. C.:

Understand Eastman has issued certification requiring railroads to deliver 200 boxcars a day to Canada for grain loading. Senator REED will investigate matter Thursday. Our country elevators over the four Northwestern States are plugged with domestic grain. Could use three times number of cars we are getting now. Farmers anxious to deliver further quantities as cars are made available. There will be tremendous saving in car-days if these cars are used for grain from our Northwest rather than sent to Canada. Financial situation of our country elevators is serious as cannot get out the grain as fast as the farmers are selling it to us. Please cooperate with Senator REED in seeing that these 200 cars are used for carrying of domestic grain.

INTERNATIONAL ELEVATOR CO.,
BEN C. McCATE, President.

MINNEAPOLIS, MINN., January 12, 1944.
HON. JAMES F. O'CONNOR,
Member of Congress,
Washington, D. C.:

Eastman's order requiring railroads deliver 200 boxcars day Canada for grain loading seriously interferes with Northwest movement. Large percentage elevators now plugged. Please protest with Eastman, Senator CLYDE REED, and any others.

KELLOGG COMMISSION CO.

MINNEAPOLIS, MINN., January 12, 1944.
HON. JAMES F. O'CONNOR,
Member of Congress,
Washington, D. C.:

Understand O. D. T. ordering 200 cars daily from Northwest roads to Canada for grain loading. We strenuously protest and urge immediate repeal. Many Northwest producers unable market grain due car shortage. Order detrimental producers and businessmen and not helpful war effort. Great quantities feed grains available Northwest awaiting cars.

VICTORIA ELEVATOR CO.

MINNEAPOLIS, MINN., January 12, 1944.
HON. JAMES F. O'CONNOR,
Member of Congress,
Washington, D. C.:

Eastman's order requiring railroads deliver 200 boxcars day Canada for grain loading seriously interferes with Northwest movement. Large percentage elevators now plugged. Please protest with Eastman, Senator CLYDE REED, and any others.

ATLANTIC ELEVATOR CO.

MINNEAPOLIS, MINN., January 12, 1944.
HON. JAMES F. O'CONNOR,
Member of Congress,
Washington, D. C.:

The following wire today addressed to Joseph Eastman and Senator CLYDE REED:

"In re certification requiring railroads deliver 200 boxcars per day to Canada for grain loading. Survey car requirements in this territory indicate Minneapolis terminal requirements for actual commitments for next 20

days 9,800 cars for terminal elevators, 2,312 cars for flour mills, 2,200 cars feed shipments. Requirements for country elevators tributary this market conservatively 45,000 cars for immediate shipment. In face of dire need for boxcars in this country respectfully urge postponement of program for delivery of our boxcars to Canada."

NORTHWEST COUNTRY ELEVATOR
ASSOCIATION.

It is certainly little wonder that the bureaucrats are coming in for the criticism they are. I know the people of Montana and the Dakotas just cannot fathom the logic of the administration's policy when they, with their elevators full and every available space on their farms stored with wheat, are told that boxcars are not available, and at the same time see trainload after trainload of Canadian wheat roll out of Canada into the United States in American boxcars. Sooner or later this unfairness and treatment that the farmers of the Northwest are receiving is going to be reflected in their production. And sooner or later the disgust and dissatisfaction of the American people in being ruled and governed by edict instead of law, as is fast becoming the practice in the case of many administrators, is going to be reflected in a vote by the American people very disastrous to those who choose to disregard the acts of Congress, and instead do as they damn well please in carrying them out.

ALLOCATION OF LARD TO SOAP MANUFACTURERS

Mr. MURRAY of Wisconsin. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin [Mr. MURRAY]?

There was no objection.

Mr. MURRAY of Wisconsin. Mr. Speaker, I wish to call the attention of my colleagues to the fact that our agencies have been allocating lard with its 4,080 calories per pound, to the soap manufacturers. Now, does this really make sense, when you realize that we are appropriating from thirty to sixty million dollars this year and an estimated sixty-five million next year for subsidizing vegetable oils?

While lard is being converted to soap that is not rationed, the housewife pays stamps at the grocery to get lard. Is this exercising common sense? Why do they follow so many illogical pathways when we should be using all our resources to carry on the war.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include therein a letter from Mr. S. R. Smith, Deputy Director, addressed to myself.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin [Mr. MURRAY]?

There was no objection.

The letter is as follows:

WASHINGTON, D. C., January 13, 1944.

HON. REID F. MURRAY,
House of Representatives.

DEAR MR. MURRAY: This is in reply to your letter of December 30, addressed to Mr. W. H. Jasspon and your letter of January 3, with

reference to the use of lard in the production of soap.

From July, the first month in 1943 in which lard was used in soap, through November which is the last month for which figures are available, soap makers were granted approval to purchase a total of 128,430,000 pounds of inspected and uninspected lard. Seventy-three million eight hundred and twenty-six thousand pounds of this total was purchased during the month of August at which time fats suitable for use in soap production were in very short supply. For your information, as of December 10, soap makers were advised that they could no longer purchase inspected lard for use in soap, but could use such quantities as they may have had on hand. They are still permitted to purchase and use uninspected lard.

If there is any further information you desire, please do not hesitate to let us know.

Sincerely yours,

S. R. SMITH,
Deputy Director.

Mr. MURRAY of Wisconsin. The press quotes the gentleman from Kentucky [Mr. SPENCE], chairman of the Banking and Currency Committee, as saying the opposition to the subsidies is crumbling. The appropriations to the C. C. C. with its bucket-shop operations would surely crumble if the Banking and Currency Committee would give the Members of Congress and the public the facts in connection with its many far-flung questionable activities.

MUSTERING-OUT PAY

Mr. ROLPH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. ROLPH]?

There was no objection.

Mr. ROLPH. Mr. Speaker, in my opinion the Military Affairs Committee recommendation of \$100 and \$300 for mustering-out pay is inadequate. Our fellow Americans who have so loyally served our country are entitled to fair treatment. Each should receive \$100 as mustering-out pay. Each should receive in addition various amounts based on length of service, the maximum to equal a soldier's yearly pay. These allotments would range from a minimum of \$250 to a maximum of \$700. Why be parsimonious with our own? We are open-handed with peoples and nations everywhere.

Let us show due appreciation to the veterans.

Sentiment in my district is strongly for a square deal. The San Francisco Labor Council, under date of January 11, 1944, writes as follows:

It is our position that the problem of the returning veteran can best be, and should be, solved now. As a matter of fact, the problem is here. Any number of men have already been discharged from the armed services because of over-age, medical deficiencies, injuries, or wounds. In justice to those already home, and so that those not yet home may know what their position may be, this legislation should certainly be enacted at this session of Congress and at an early date. We urge your support and vote for such legislation.

PERMISSION TO ADDRESS THE HOUSE

Mr. COLE of Missouri. Mr. Speaker, I ask unanimous consent that on today,

after disposition of all legislative matters on the Speaker's desk and at the conclusion of any special orders heretofore entered, I may be permitted to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. COLE]?

There was no objection.

EXTENSION OF REMARKS

Mr. REED of New York. Mr. Speaker, on yesterday I asked and received unanimous consent to extend my own remarks in the Appendix of the RECORD and to include an article by Professor Harper, of Cornell University. The matter I asked to have extended in the RECORD exceeds the authorized amount. I have a letter here from the Public Printer estimating that it will cost \$306 to extend this article in the RECORD. I therefore ask unanimous consent that I may be permitted to extend my remarks and include this article, notwithstanding the cost.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. REED]?

There was no objection.

Mr. TALBOT. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Connecticut [Mr. MONKIEWICZ] may be permitted to extend his own remarks in the RECORD and to include therein a letter to the New York Times.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut [Mr. TALBOT]?

There was no objection.

MUSTERING-OUT PAY

Mr. LEMKE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to extend my own remarks in the RECORD and include therein a short letter.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota [Mr. LEMKE]?

There was no objection.

Mr. LEMKE. Mr. Speaker, I understand that the mustering-out-pay bill will come up next Monday or Tuesday. I am sure that the Members of the House will deal intelligently, promptly, and honestly with the discharged veterans. They have been neglected long enough.

A great deal of display of patriotism has been shown on this floor in connection with the soldiers' vote. I do not believe there is a Member on this floor who does not wish the soldier to have a vote. But to give the soldier a vote should not be synonymous with having that vote manipulated. There can be no question, therefore, over giving the soldier the right to vote.

That right must be given to him, and will be given to him, I am sure; but I would like to see a little of that energy displayed in seeing that the soldiers that have been already mustered out are, at least, given an opportunity to readjust themselves and get back into the pursuit of life they were in before Uncle Sam interrupted them by induction.

Again, the mustering-out pay is only the first step to bring about the rehabili-

tation of the soldier. The next step must be to give the soldier the opportunity to again take up his education or his professional, industrial, or agricultural pursuit. In other words, this Nation owes it to the veterans to make them as near as possible again self-sustaining when they return victorious.

Another urgent necessity is to take care of the disabled more promptly than they are being taken care of. I challenge the accuracy of statements made on the floor that these men are being taken care of promptly. General Hines himself admitted before the Military Affairs Committee that up to date there were over 200,000 disabled applications pending before the Veterans' Administration and only a little over 100,000 have been acted upon.

There is something wrong here. This great Nation must not deal so dilatory with the veterans who have given their all and have received disability. No excuses that General Hines or anyone else can make will be acceptable. With the billions we have appropriated, there is no excusable reason for that neglect on the part of those who are responsible for the proper administration of our armed forces and of our disabled.

I here include a letter that I have just received, dated January 11, 1944, from Sgt. Henry S. Zuba, headquarters, Sixth Medical Training Regiment, Camp Grant, Ill.:

MY DEAR MR. LEMKE: I have been reading with interest in the Chicago Herald-American your proposed bill for veterans' legislation, and would appreciate it if at an early date you could forward me a copy of same, as I would like to show it to various buddies of mine stationed here.

Might I say that I enlisted at Buffalo, N. Y., in July of 1939 and was assigned to Fort Jay Station Hospital, Governors Island, N. Y. From there I was transferred to the Sixteenth Infantry, Medical Detachment, First Division. Then subsequently was sent overseas to England and Scotland, then served under active enemy fire in the invasion of Oran and later in the Tunisian campaign, having direct supervision in the evacuation of casualties. Because of illness, was transferred back to the States in August 1943, and am at the present moment stationed at Camp Grant as a personnel director. You will see from my record that I have had active duty, and at the present moment am entitled to wear ribbons evidencing six campaign involvements.

My buddies' thoughts and my own are simply this: The veteran should be given a definite mustering-out pay of a year's salary, payable in monthly installments, plus the cash payment of \$100 on the date of his discharge.

The reason why we advocate this procedure is so that the veteran will be paid periodically during the first year after his discharge, and will not be tempted to throw his money away if paid in one lump sum, as experience has shown occurred with bonus money paid after the First World War.

In addition, we advocate that private industry at this time take active steps to seek employment for these boys who are about to be discharged from the Army to enable them to get on their feet and to return to civilian life at as early a date as possible. We believe, also, that it would be a splendid idea to furnish school facilities for these veterans who have mechanical aptitudes.

Trusting that you will give this letter as wide publicity as possible and that these

suggestions can be incorporated in this bill, I am

Very truly yours,

Sgt. HENRY S. ZUBA.

EXTENSION OF REMARKS

Mr. MANSFIELD of Texas. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD in two instances, in one to include an editorial from the Waterways Journal and in the other to include an editorial from the Galveston News.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. MANSFIELD]?

There was no objection.

DECORATION CONFERRED ON MAJ.

H. L. ALLEN

Mr. BROOKS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the gentleman from Louisiana [Mr. BROOKS]?

There was no objection.

Mr. BROOKS. Mr. Speaker, I want to felicitate with my colleague the gentleman from Louisiana [Mr. ALLEN] and his good wife Mrs. Allen, today. Word has come from the War Department that their son, Maj. Harwell L. Allen, has just been decorated by King George of England for meritorious service in the Mediterranean theater of action.

I knew this young man when he was here with us on the Hill. I knew him when he was taking law here in George Washington University. When he left to serve his country, we, his friends, had profound confidence that we would hear from him on the other side, and our confidence has not been misplaced. I am happy with the Allens on this occasion today when such high recognition is given the meritorious service which he is rendering his country.

Mr. McCORMACK. Will the gentleman yield?

Mr. BROOKS. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I join with my colleague and friend from Louisiana in the expressions he has made. We are proud of all of our American heroes. Particularly we are proud that a son of one of our distinguished Members, the gentleman from Louisiana [Mr. ALLEN], has been so signally honored for the outstanding bravery he has displayed, and in congratulating Mr. and Mrs. Allen the House, through the heroism of their son, receives an honor itself.

Mr. RANKIN. Will the gentleman yield?

Mr. BROOKS. I yield to the gentleman from Mississippi.

Mr. RANKIN. We all join the gentleman from Louisiana [Mr. BROOKS] in congratulating our distinguished friend and colleague the gentleman from Louisiana, the Honorable LEONARD ALLEN, on this honor that has come to his distinguished son. While this decoration was being conferred upon this young man, his distinguished father in this House was presiding over the Veterans' Committee, working out legislation to take care of

these men when the war is over. He is one of the best friends the veterans ever had.

We extend to him our heartiest congratulations and I am sure the American people, and especially the American Legion, will join us.

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. BROOKS. I yield to the gentleman from Massachusetts.

Mrs. ROGERS of Massachusetts. I, too, would like to speak of my pleasure at the great merited honor that has come to the son of the gentleman from Louisiana and to join with the gentleman from Mississippi [Mr. RANKIN] chairman of the World War Veterans' Committee, in his expressions of appreciation of the work the gentleman from Louisiana [Mr. ALLEN] is doing for the disabled veterans of this war.

Mr. BROOKS of Louisiana. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD and to include therein the Associated Press dispatch referred to.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana [Mr. BROOKS]?

There was no objection.

The press dispatch referred to follows:

MAJOR H. L. ALLEN WINS BRITISH DECORATION

Maj. Harwell L. Allen, son of Representative ALLEN, Democrat, of Louisiana, and Mrs. Allen, was listed among American Army officers who received British decorations by order of King George VI, Tuesday, it was learned yesterday.

Major Allen, 27, a 1940 graduate of the school of law at George Washington University, was awarded membership in the Order of the British Empire for "meritorious action in the Mediterranean area," according to an Associated Press dispatch from Algiers.

He received his A. B. degree from the Louisiana College, Pineville, in 1936 and then came here to study law. He entered the service with a Reserve commission of second lieutenant in May 1941.

Major Allen was sent overseas a year later and took part in the invasion of North Africa. His home is in Winnfield, La.

His parents live here at 2801 Pennsylvania Avenue SE. A brother, Capt. Lyndon C. Allen, is now in northern Ireland with the field artillery.

LEAVE OF ABSENCE

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent that I be granted a 5-day leave of absence because of a death in the family.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

EXTENSION OF REMARKS

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial and a report of the Committee on Foreign Relations of the Republican Advisory Committee which met at Mackinac Island on September 7.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CURTIS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a resolution.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a resolution adopted by the Central Nebraska Beet Growers Association.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. HARRIS of Arkansas. Mr. Speaker, I ask unanimous consent that on Wednesday next, following the legislative program of the day and any special orders heretofore entered, I may be permitted to address the House for 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

EXTENSION OF REMARKS

Mr. HENDRICKS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a copy of a letter I addressed to the Governor of the State of Florida on the soldiers' vote.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

ENSIGN WILLIAM I. HALLORAN

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio? There was no objection.

Mr. FEIGHAN. Mr. Speaker, today at the navy yard, Mare Island, Calif., Mrs. Lawrence J. Halloran will christen the U. S. S. *Halloran*, named in honor of her heroic son, Ensign William I. Halloran, who was killed on the U. S. S. *Arizona* resisting the sneak attack by the Japs on that fateful day, December 7, 1941.

Ensign Halloran volunteered in the service of his country, fought gallantly, and died bravely with other members of our armed forces in the service of his country. His name will live on in memory of loyal Americans through the exploits of the ship that bears his name.

Ensign Halloran was the first member of the Knights of Columbus to be killed in action since the United States entered this war. The people of the Twentieth District of Ohio and the Nation are proud of this true American.

EXTENSION OF REMARKS

Mr. KEFAUVER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein excerpts from an article by Judge Frank.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. RICHARDS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein certain excerpts in connection with the presentation of the E award to the Springs Mills of South Carolina.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. GAVIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial from the Oil City Derrick.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent that on Monday next, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 20 minutes to make some comment on the President's message.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

THE SOLDIERS' VOTE

Mr. WORLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. WORLEY. Mr. Speaker, as chairman of the committee which has had under consideration the soldiers' vote bill, may I say that action was taken this morning whereby the Senate bill was voted out by a vote of 7 to 5. I compliment the members of my committee on both sides of the aisle for doing what they thought they should do. However, I do not agree with the wisdom of their action.

I have just released the following statement to the press:

The action taken by the committee means that most of the 11,000,000 members of the armed forces will not get to vote in the next elections. I wonder what the marines at Tarawa, the Texans in Italy and all over the world, and the flyers over Germany will think of Congress if this is all Congress intends to do.

This action will destroy their morale more than all the enemy bullets, bombs, and propaganda have ever been able to do. The Army and Navy both stated officially they could not get State ballots to any appreciable number of soldiers, especially overseas, operating under 48 different State systems, which is what the Senate bill 1285, as amended, provides.

It is a ghost bill masquerading under the cloak of life and reality. Before the soldier can hope to vote, stronger and closer cooperation between the States and Congress must

be secured. Senate 1285 will not, in its present form, accomplish this result.

Mr. Speaker, I intend to carry this fight for soldier votes to the floor of the House and hope we can get a bill which means more than the present Senate bill means.

EXTENSION OF REMARKS

Mr. COFFEE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on two topics, in one to include a newspaper article, and in the other to include a magazine article.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

OURS IS A CIVILIAN ARMY

Mr. COFFEE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. COFFEE. Mr. Speaker, the American Army is a civilian Army, not a professional Army of mercenaries. The Commander in Chief of the American Army is a civilian. The President, as Commander in Chief of our Armies, is responsible to the people who elect him. The soldiers in our Armies do not look forward to a military career. The war is a temporary phenomenon to them. The men who are fighting it expect to return to their education, their jobs, and their responsibilities as citizens. It is fitting and proper that they think as they do, plan as they do. It is likewise fitting and proper that their patterns of civilian life be maintained. Citizen-soldiers want to vote and they should vote, thereby maintaining their connections with civilian life. Now, most of us anticipate a successful termination of the war within a year or two. However, there is no positive assurance that will be the case. Consequently, it is our responsibility to settle the voting rights of the soldiers now, once and for all, without preventing them from voting by raising some specious excuse or technicality as the ostensible basis for blocking the soldiers' right freely to vote in elections.

PERMISSION TO ADDRESS THE HOUSE

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I ask unanimous consent that on Thursday next, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 30 minutes to discuss the problem of food production for 1944.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

THE SOLDIERS' VOTE

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CRAWFORD. Mr. Speaker, on different occasions I have heard a member of another body make certain broad statements with respect to the inability of the military forces to get absentee ballots to the soldiers. I wish to ask the gentleman from Mississippi [Mr. RANKIN] what credit should be given to the statement that the military officials are unable to get those ballots to the boys.

Mr. RANKIN. None whatsoever. I have just listened to the statement of the gentleman from Texas [Mr. WORLEY] and, with all deference to him, I must say that it was ridiculous. Under this Senate bill, as amended, practically every person in the armed forces who is qualified to vote at home will get to cast an absentee ballot, he will get to vote for all officials from the President down to constable. I know there are some people who want us to draft the soldiers' vote because we drafted them to fight, but we want the soldiers to cast a free ballot in a free and constitutional election.

Mr. VURSELL. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. VURSELL. Mr. Speaker, as our chairman of the Elections Committee, the gentleman from Texas [Mr. WORLEY], told the House in a short address a moment ago, we have reported out a bill for the purpose of giving the soldiers the greatest opportunity to vote. I assure the Members of this House that when they have read this bill and when they have heard the debates on the bill, they will be convinced that the bill we have reported out will give every soldier in continental United States a right and an opportunity to vote, and that it will give two-thirds to 85 percent of the soldiers overseas a chance to vote, and, in my judgment, it will give every soldier in any part of the world, overseas, an opportunity to cast his vote secretly, an opportunity to quietly cast his ballot, helping to make democracy work on the home front, participating in democracy on the home front, that he is fighting for on the battlefields of the world.

LEAVE TO ADDRESS THE HOUSE

Mr. CALVIN D. JOHNSON. Mr. Speaker, I ask unanimous consent that at the close of business on Monday next, I be permitted to address the House for 5 minutes.

The SPEAKER. Is there objection?

There was no objection.

THE SOLDIERS' VOTE

Mr. GIFFORD. Mr. Speaker, I ask unanimous consent to proceed for half a minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. GIFFORD. Mr. Speaker, I thought that next week would furnish plenty of time to express our desire that

the soldiers be privileged and assisted to vote. So many Members are expressing themselves favorably today that I do not want to be found lacking in enthusiastic support. However, there seems to be one admission which we ought to make, as there may be some suspicion of our eagerness. Each of us might add, "I want the soldiers to vote, so that they can vote for me."

LEAVE TO ADDRESS THE HOUSE

Mr. CASE. Mr. Speaker, on Wednesday next, after the reading of the Journal and the disposition of business on the Speaker's table, and any other special orders previously entered, I ask unanimous consent that I be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection?

There was no objection.

BOARD OF VISITORS TO UNITED STATES MILITARY ACADEMY

The SPEAKER laid before the House the following communication which was read:

Hon. SAM RAYBURN,

Speaker of the House of Representatives.

MY DEAR MR. SPEAKER: Pursuant to the provisions of the act of May 17, 1928 (10 U. S. C. 1051, 1052a), I have designated the following members of the Committee on Appropriations as members of the Board of Visitors to the United States Military Academy for the calendar year 1944: Hon. J. BUELL SNYDER, Hon. JOE STARNES, Hon. JOHN H. KEER, Hon. D. LANE POWERS, Hon. ALBERT J. ENGEL.

With assurances of my regard, I am

Sincerely yours,

CLARENCE CANNON,

Chairman,

Committee on Appropriations,

House of Representatives.

The SPEAKER. Under previous order of the House, the Chair recognizes the gentleman from New York [Mr. TABER] for 20 minutes.

OFFICE OF PRICE ADMINISTRATION, W. F. A., AND COMMODITY CREDIT CORPORATION

Mr. TABER. Mr. Speaker, the Office of Price Administration, the War Food Administration, and the Commodity Credit Corporation are at present engaged in an attempt to deceive the public, the producers of agricultural products, and to destroy price control on foods. I have only time to present a few features of the crazy-quilt pattern of their operations.

I shall take milk first. The price of 3½-percent milk delivered in various points in New York State varies from \$2.85 to \$3.48 a hundredweight to the farmer-producers. Some of the price schedules are such that farmers side by side, delivering their milk to a different market, receive as great a difference in price as 38 cents a hundredweight, including the subsidy. The subsidy for all fluid milk delivered by producers to all places except for the New York market, is 40 cents per hundredweight. The subsidy for milk delivered for the New York market is 25 cents per hundredweight. I know of cases where farmers living side by side, one is selling to the Rochester market at \$3.48 per hundredweight, plus

40 cents subsidy, a total of \$3.88; and the other is selling to the New York City market at \$3.25, plus 25 cents subsidy, a total of \$3.50 per hundredweight.

But just so that they might jumble the situation a little more the subsidy granted to milk producers was required to be paid direct to the farmer instead of being distributed by the milk-distributing organizations, and it has worked out this way: A great lot of penalties have been levied upon farmers for producing wheat in the year 1941. A very large percentage of these penalties are illegal and non-collectible, because in fixing the quotas the Department of Agriculture has refused to take into consideration the production upon the farms in question in the years previous to 1941. These illegal penalties are being deducted from the subsidy checks and in that way the Department is collecting illegal penalties which it could not collect in court. One farmer was entitled to \$71 subsidy. They had illegal penalties levied against him of \$69, and he received a \$2 subsidy check.

Mr. CASE. Mr. Speaker, will the gentleman yield?

Mr. TABER. Yes.

Mr. CASE. In addition to the injustices which the gentleman has cited, I find that they are now not collecting the wheat penalty from the man who resisted, but the penalty they collected from the man who paid, they insist on retaining. The man who tried to comply with the law, unfair as it was, is being penalized, while the man who resisted is going scot free.

Mr. TABER. Yes. That is typical of the way they are performing all the way through.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. TABER. Yes.

Mr. CRAWFORD. To add to the gentleman's statement, that the farmers in my district, where the penalty is based on being applied against their checks, are just refusing to go along, and are passing up the whole outfit, refusing to have anything to do with that, so that this seems to be a general protest all over the country. I cannot understand why they think it will increase the production of milk.

Mr. TABER. The object of the O. P. A., the way they started out, and of the Commodity Credit Corporation, has been to destroy the private operation of the farm, and put the whole thing under the Government—complete socialism. The underhandedness and red tape which they are obliged to put up with is terrible. Nothing has done more to demoralize the producers of milk than this Government bureau red tape and dishonesty.

I shall next take up the subject of apples. No. 1 apples were priced about the middle of September and were allowed to be sold for fresh market. No. 2 apples were frozen to the canners but the price was not fixed on them until after the 1st of November when all the apples were supposed to have been picked. The price of the canned products, that is applesauce and jellies, was not fixed

until after the 1st of December and then it has been fixed according to the same crazy-quilt pattern that the price of milk is fixed at. A different price is fixed for each manufacturer based, not upon quality or cost of production but upon the price that he received in 1941 for his crop, and where a man was obliged to sell his 1941 crop early in the season because of financial pressure, he receives a low price for his present production, whereas the man who was in good financial circumstances and was able to hold his crop until late in the season and received a good price in 1941, receives a larger price than the fellow who was in distressing circumstances. In other words, the greater the distress of the manufacturer and the processor and the worse his financial condition, the lower price he must accept for his product regardless of what it has cost him to produce it.

The price of tomato juice is fixed according to the same crazy-quilt pattern. I have in front of me prices fixed upon No. 3 tall for a group of canners in the same territory—six different prices and they vary from \$1.91 per case to \$2.19. I have before me the prices which five different canners, all in the same territory and all producing the same grade of goods, receive and their prices vary from \$3.82 per case to \$4.37 per case, a difference of 55 cents per case, and the difference is not because of the quality nor is the price fixed according to the price of production but solely according to the price they got in 1941.

The same thing applies to canned vegetables of all descriptions. There are all sorts of prices for the different canners based upon the same foolish idea.

Just so you may realize that there is no difference in the way other articles are handled, I might say that manufacturers of other goods, scattered all over the country, have their prices fixed today on their 1941 prices as of a certain date and not on the basis of cost. This whole picture has repeatedly been called to the attention of the Price Administrator and an attempt has been made to make him clean it up without the least bit of success or the least bit of interest. It has been impossible, up to today, to get an appointment with the O. P. A. or get an audience for any of this sort of thing. The War Food Administration can be reached on the telephone and so can the Commodity Credit Corporation, but the O. P. A. has been so impossible and knows so little about what it is doing that it is absolutely impossible to do anything with it or even get the facts to them.

I have previously discussed the danger of the subsidy system from an inflationary standpoint. The subsidy presently is being used by these three organizations, not for the purpose of controlling inflation but for the purpose of deceiving and confusing the public and the producers. They have not deceived the producers. They have deceived to a certain extent a large number of our consumers. I am taking these few minutes to show the people of this

country just what kind of a racket this subsidy business is, just how it is being used to deceive the public. It is absolutely necessary that we have a fixed price, a positive fixed price for every article, and have it fixed promptly so that business people can arrange their affairs and not have to go into bankruptcy, and so they can plan their production. These fixed prices, if they are fixed honestly and fairly, will not only control inflation but it will encourage production by giving the people a chance to know where they are at. The present jumble is disgraceful. The present jumble is dishonest. It is creating scarcity and it is inflationary in the highest degree. It is about time that the President began to cooperate with the war effort and do something to try and prevent inflation instead of continuing the impossible situation that exists at the present time in the Office of Price Administration.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. CRAWFORD. Has the gentleman made any study of the methods used in pricing grapes up in the New York area on the last year's crop?

Mr. TABER. Well, the method was not to use anything relating to the cost of production, but to use entirely a fictitious price that was based upon other circumstances than those under which the grapes in question were produced. Their statements with reference to these situations in the hearings that they had with Representatives of the Congress back 4 or 5 months ago when it was possible to get to them, demonstrated that they were trying to deceive those Members of the Congress.

Mr. CRAWFORD. We have a situation in the Concord and other grape products in New York, Ohio, and Michigan, and while I was home during the Christmas recess, a committee of grape experts from the producers' end and the East Lansing, Mich., State Land Grant College, presented me with a report consisting of about 47 pages which I have and which is not confidential, which covers this whole field, and I am convinced based on what these gentlemen told me and what this report shows, that there has been criminal action on the part of Government employees in connection with handling the grape crop. When this matter comes before our committee I expect to make that record public and ask for information on it.

Mr. TABER. They are not making a case for the confidence of the Congress or the public in the way they are handling their job.

Mr. CASE. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. CASE. Referring to the topic which the gentleman discussed at the outset of his remarks to the milk situation, I want to say that the discrepancies that he found as existing within the State of New York also are found in the western part of the country. I know, as a matter of personal knowledge, that the variations between prices of milk as paid

in western South Dakota, Wyoming, Denver, and Colorado are such that the producers of milk in that area at times find they can make more by selling milk in their home towns; at times they find it pays to ship it about 30 miles; at times they find it pays to ship it into Denver. The discrepancies are such it clearly makes for a discrimination and unfairness that is entirely unjust to the producers who are struggling with a bad feed situation at the present time.

Mr. TABER. It is unfair to the consumers, because there are many communities in my territory where the quantity of fluid milk available for delivery has evaporated completely, and they are unable to get milk and they have to go miles and miles to other towns to get it.

Mr. CASE. That is entirely true, because when the farmer shifts from one market to another it makes a drought of milk in markets abandoned. The petitions I have received on the subject have been petitions from consumers that have asked that an adjustment be made so they can be assured of a stable milk supply for their children.

Mr. PHILLIPS. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. PHILLIPS. Following up what the gentleman says about the milk situation, the inconsistency of Government agencies also enters into the case. In the gentleman's State and in my State we have State control acts, but in the Chicago milkshed there is a Federal act, and in that milkshed the Federal Government has allowed increases to the retailer and in that milkshed, so far as I can learn, that is the only place where a sufficient supply is available at the moment. I mean the Government does not apply the same theory to itself as it applies to New York State and to California.

Mr. TABER. Before I made this statement I went to Albany and I checked up with the New York State authorities and I found they were not listened to at all with reference to this price situation and the terrible mess that it has created, but that the whole job was being concentrated down here and all Washington was doing was sticking to what prices they had without any consideration whatever as to their fairness.

Mr. PHILLIPS. Well, the gentleman is doing a very good job in bringing this to the people, because milk is the most important commodity we have.

Mr. TABER. I may say that I was promised that this situation would be corrected in my State with reference to milk by the head of the Commodity Credit Corporation about the 20th of December, before we left for the recess, and that it would be corrected for the January 1 prices. The result was the usual result—nothing.

Mr. GIFFORD. Will the gentleman yield?

Mr. TABER. I yield.

Mr. GIFFORD. They had to have the approval of the W. F. A. and they had to have the approval of the czar before the

O. P. A. could act. I have the same trouble with fish.

Mr. TABER. Oh, everything is in the same category, and that is why people have no confidence in any of these set-ups.

Mr. GIFFORD. How can the Commodity Credit Corporation promise you with any degree of confidence? Theirs is not the last word.

Mr. TABER. It was represented to me by the other outfits at that time that they were the ones to blame.

Mr. GIFFORD. Far from it.

Mr. TABER. I think all three of them are to blame. I think until we have the pricing of food in one hand, and have absolute prices fixed that the people can see, we are doing the consumer public a great wrong, because we are creating a situation where it is impossible for the farmers to produce food. It is not only difficult but it is getting to the point where it is going to be impossible. Unless we have a definite, positive, clear price fixed for everything, it is going to be absolutely impossible for us to get the food that we ought to have to feed the American people.

Mr. MURRAY of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. MURRAY of Wisconsin. I received a letter this morning from a county agent whom I have known for a quarter of a century. He says, "You realize the position the present prices put the county agents in. We have gone out and urged production and then the producers get this 'kick in the pants.' At the rate farmers are selling hens and reducing farrowing of pigs, it is my prediction that the public will be pretty hungry for meat by 1945. Lack of confidence in representatives of the administration to carry out their promises based on facts shown in the past history is fast destroying the morale of the agricultural workers."

Mr. TABER. I think the gentleman has described a picture which is pretty general all through the United States.

I did not bring this statement here until after I had exhausted every other resource to try to get action to correct a lot of these situations. I feel that they have betrayed the trust that the Congress and the people have placed in them. Instead of contributing to the control of prices and cutting down inflation, they have promoted inflation by this outrageous way of performing the work that has been put up to them. That is why the people all over the United States do not have any confidence in that outfit.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. AUGUST H. ANDRESEN. The gentleman has discussed the situation with reference to milk and also with reference to apples. I suppose the gentleman knows that one of the distinguished citizens of New York State, who is Secretary of the Treasury at the present time, sold out his dairy herd because it was no longer profitable to remain in the dairy business, and went into the apple business.

Mr. TABER. If the gentleman would like a little information on that, they tell me that these dairy cattle that the Secretary of the Treasury had paid so much money for were in such poor condition at the time of the sale, due to the manner in which the farm had been operated, that they did not bring but very small prices. I have a schedule of something of that kind over in the office, and if anyone is interested I will be glad to show it to them. His whole set-up was not the type that was conducive to successful operation.

Mr. AUGUST H. ANDRESEN. Will the gentleman yield further on that point?

Mr. TABER. I yield.

Mr. AUGUST H. ANDRESEN. I understand from reliable sources that the neighbors of the Secretary got together and put a ceiling price of \$100 on all of these cattle when they were sold at the sale, and no cow brought more than \$100.

Mr. TABER. I do not know about that, but I would not be surprised.

Mr. GIFFORD. Will the gentleman yield?

Mr. TABER. I yield.

Mr. GIFFORD. We have had a fish strike where I come from.

Mr. TABER. Does the gentleman mean the fish have gone on strike?

Mr. GIFFORD. Yes. Both. But I want to say to you that the Wildlife people who have charge of the fisheries industry have appealed for the fishery people, and to whom did they appeal? The War Food Administration, which smiled on them a little, and led them to believe that the ceilings would be fixed. But then it went to the O. P. A., and before they could get their mouths open, Mr. Byrnes, the czar, said, "You made so much money a few years ago that we have fixed the price and nothing will be done about it." Mind you, the Wildlife people are the ones on whom the responsibility rests, but it goes through so many people that the people do not know where to go and do not know what to believe. I do not want the gentleman to leave the impression that the Commodity Credit Corporation is to blame. I want you to fix the blame where it belongs. It reaches higher up.

Mr. TABER. The gentleman would not want to say that the Commodity Credit Corporation was not to blame?

Mr. GIFFORD. Oh, no. They obeyed orders.

Mr. CASE. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. CASE. Would the gentleman permit me to say to the gentleman from Massachusetts [Mr. GIFFORD] that out where I come from the only strike in which we see any virtue is the one that comes from a trout.

Mr. TABER. I am in hopes that what little I have had to say this afternoon may contribute something toward getting action and clearing up some of these situations.

The SPEAKER. The time of the gentleman from New York has expired.

EXTENSION OF REMARKS

Miss STANLEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a statement on post-war planning.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. Under previous order of the House, the gentleman from Oregon [Mr. ANGELL] is recognized for 20 minutes.

AMERICAN ALUMINUM IN WAR AND PEACE

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to revise and extend my remarks I am about to make, and to include certain documents and correspondence.

The SPEAKER. Is there objection?

There was no objection.

Mr. ANGELL. Mr. Speaker, I want to discuss in the time allotted me American aluminum in war and peace, but first let me say a significant event took place in my home city, Portland, Oreg., this week when our first Victory ship was launched. A great fleet of freighters, which may well form the backbone of our post-war merchant fleet, will be constructed in the shipyards of America, and this ship launched in Portland was the first. I want to take this occasion, Mr. Speaker, to call to your attention and to the attention of my colleagues in the Congress the contribution my State of Oregon and the Pacific Northwest has made and will continue to make, if given the opportunity, to the winning of the war.

The Victory ships, many of which will be built in the Northwest, are much superior to the Liberty ships which we have been constructing. The Victory ship is more streamlined, with greater speed and will carry an equal amount of cargo with the Liberty ships and will have three times as much power. They are designed to have a speed of 15 knots, whereas the Liberties have only 11. As a result, these ships may even sail without convoy protection, and it is predicted that they will be able to make a round trip to the war front in 3 weeks, instead of 9 required by the Liberty ships. It will take considerably longer for the construction of this type of vessel, by reason of its more complicated and intricate design. The ship which was launched in Portland was on the ways 54 days, and some 30 to 40 days more will be required for its completion. However, when full production is attained, this time will be very materially reduced and the officials of the Oregon Shipbuilding Co. predict that a ship may be produced in 50 days as compared with an average time of 30 days for the Liberty ships.

Mr. Speaker, I am proud of the record the shipbuilders of Portland and the Portland area have achieved in the construction of ships for the use of our fighting forces and the great contribution they have made to the winning of the war. We have produced in that area nearly 1,000 ships of all types for war purposes, including over 300 Liberties, subchasers, mine sweepers, net tenders, tugs, landing barges, "baby" carriers, and

many other small naval vessels. This remarkable record has been made without strife or labor difficulties.

Mr. Speaker, in discussing the contribution to the war made by the people of my State and surrounding territory in the Northwest, I should not neglect to call to your attention the outstanding record made by our people in the production of aluminum for airplane and other war construction. The Columbia River is the most outstanding river in the world for hydroelectric power. Between 40 and 50 percent of the potential hydroelectric power of our Nation is stored up in this great waterway. Now with the completion of the Bonneville project and a substantial portion of the Grand Coulee power development we have an immense pool of hydroelectric power in the Columbia River Basin which is working night and day for the winning of the war. Most of this power is utilized for war purposes and a considerable part for the production of aluminum. We are producing in that area approximately a third of the aluminum produced in the United States for the war. We have produced enough aluminum up to this time to build many thousands of war aircraft. The rated capacity of the five Northwest plants is about 600,000,000 pounds per year. I am informed such an amount of aluminum would be sufficient for 27,000 B-17 bombers, 4 engine; or 50,000 B-25 bombers, 2 engine; or 120,000 P-40 pursuit planes. It is a severe indictment against our foresight that when we were forced into the war by the dastardly attack by the Japanese at Pearl Harbor we were woefully deficient in fighting aircraft. We have been building aircraft at a feverish pace since that time and fortunately have now obtained superiority in the air in every theater of the war. Without this control of the air we would be unable to be victorious in any of the battle areas. Without aluminum we cannot have aircraft; therefore it is of major importance to the prosecution of the war that every precaution be taken to insure an ample supply of aluminum for the building of airships until we shall have ended the war victoriously. No one is in a position today to predict when the war will end. Even though the European phase should collapse we would still have the war of the Pacific where we have been largely marking time thus far.

Unfortunately, bauxite, which is the raw material from which aluminum has largely been made up to this time, is limited in the continental United States. We have a small supply in Arkansas of high-grade bauxite which experts advise will last less than 3 years. With the exhaustion of this supply we would be relegated to foreign importations which now come largely from South America and are under the control of foreign government. Scientific investigations have been made by American experts of the deposits of clays in the United States which contain aluminum. These experts after extensive surveys and exhaustive scientific experimentations have concluded that these clays may be successfully utilized for the production of aluminum and

semicommercial pilot plants are now in process of construction in several places in the United States for the utilization of these clays as the basic product for our supply of aluminum. Fortunately, these clays are widely distributed throughout the United States and exist in immense quantities, so that we will have ample sources of supply of raw material if these plants prove to be successful.

Mr. Speaker, unfortunately there is a movement on foot to curtail the production of aluminum in our own country. In order to secure an adequate supply of this strategic material for war purposes all commercial uses of aluminum were banned and the use of aluminum, even in war production where it could be eliminated, was prohibited. The present supply is devoted almost entirely to war construction. If aluminum were freed by the War Production Board to be used in civilian production and also in war construction where other substitutes are now used, it is certain that our full present productive capacity would not be sufficient to meet all of these needs. It is now proposed by our officials in charge to cut drastically the production of aluminum in the continental United States. They have not only proposed to close down pot lines which produce aluminum, but have actually done so in many instances.

It should be noted that if these pot lines are shut down many types of them will cost as high as \$500,000 per line to reopen and put into operation. Six of these lines have already been closed in eastern plants and it has even been proposed to close some of the pot lines in the Pacific Northwest which are utilizing cheap hydroelectric power from the Columbia River area. The Federal Government has invested in this area well over \$500,000,000 in hydroelectric facilities and aluminum plants, the future of which would be jeopardized if this move is carried out and followed to its ultimate conclusion.

Mr. HORAN. Mr. Speaker, will the gentleman yield?

Mr. ANGELL. I yield to the distinguished gentleman from Washington.

Mr. HORAN. Not only will the future be jeopardized, but it is my understanding that we are getting our aluminum cheaper from domestic production than from abroad.

Mr. ANGELL. The gentleman is quite correct. It is my understanding that the aluminum made from materials that come from abroad costs in some cases as high as 21 cents, whereas we can procure it as low as 15 cents.

Mr. HORAN. There is a differential of 2 cents between what we sell to our own Government and to lend-lease.

Mr. ANGELL. That is true.

Mr. HORAN. I am not sure about the 21 cents, but I know aluminum from abroad costs our taxpayers more, considerably more.

Mr. ANGELL. That is quite true. I thank the gentleman for his contribution.

It may well be that an adequate use of all of our facilities for war production would justify the closing of some of these

pot lines which utilize coal instead of hydroelectric power. There is an extreme shortage of coal in many areas and drastic measures have to be taken to insure a minimum supply to prevent suffering and the closing of essential war plants. No such arguments, however, apply to the pot lines in the Pacific Northwest using hydroelectric power.

Furthermore, there is no shortage of manpower in that area requiring this action. Under date of January 7 the Manpower Utilization Division of the War Manpower Commission of my State, in response to my request, sent me the following telegram:

In Mr. Stoll's absence because of illness, wish to reply your telegram January 1 that adequate manpower is available to keep all aluminum pot lines at Vancouver, Wash., and Troutdale, Oreg., running without crippling other war production of comparable priority.

Governor Snell, of Oregon, sent the following telegram to Philip D. Wilson, Director of the Aluminum and Magnesium Division of the War Production Board, on January 4:

Understand you are meeting with northwestern congressional delegation this afternoon. Have read reports that W. P. B. has recommended closure of aluminum plants. This would affect reduction plant at Troutdale, Oreg., as well as other aluminum plants in Northwest. Strongly urge careful consideration these factors. All pot lines both Vancouver and Troutdale in full operation today. These manpower requirements are in no way taking manpower away from needed war industries in Portland-Vancouver metropolitan area. The entire war manpower requirements have definitely eased within past 60 days, and more especially since maritime yards are on 6-day basis. Confident manpower investigation status of the conditions will not justify closing any of the pot lines because of manpower.

The Oregon State Grange which for many years has been active in the development of hydroelectric power in the Northwest is strongly opposed to the closing of these pot lines and Morton Tompkins, master of the Oregon State Grange, on January 7 sent me the following protest:

We strongly protest the proposal to shut down pot lines in American aluminum plants until such time as (1) War Production Board can certify that adequate aluminum stock piles have been built up to meet any emergency, (2) ample supplies have been released as can be fabricated for consumer needs at this time, and (3) full details of the Shipshaw contract be made public and such contract be readjusted to place American plants on an equitable basis with Shipshaw operations. This proposal bears the mark of connivance between W. P. B. and W. M. C. and monopolistic interests to do permanent injury to our newly developed aluminum industry of the Northwest and other regions. War Manpower Commission's certification of the Pacific Northwest as a critical labor shortage area was arrived at without conferring with Northwest offices or advisory committees of that agency and is a gross and deliberate misstatement of fact. Air-mail letter follows but need for action is immediate. Please transmit a copy of this to other members of the Oregon congressional delegation.

The manpower problem in the State of Washington is similar to that in Oregon

and there is no shortage of manpower requiring closing of these pot lines. The Governor of Washington advised Senator BONE by wire January 4 as follows:

Publicized reports by Lawrence Appley, Executive Director of War Manpower Commission, indicate closure of Pacific Northwest aluminum plants chargeable to manpower shortage. Appley report erroneous. The aluminum industry in State of Washington needs as of today only 40 people. That shortage due solely to conditions of work in 1 plant only. Production up to capacity. See no reason for reducing production aluminum this State because of any manpower shortage.

That no manpower problem is involved in the closing of these pot lines in the Northwest is disclosed by the following editorial which appeared in the Oregon Journal, January 4, 1944:

ALUMINUM POTS ARE COOLING

Projected shut-down by the W. P. B. of 10 aluminum pot lines in addition to the 6 turned off in eastern plants last week is a threat to Pacific Northwest production which drew swift protest by Oregon and Washington representation at the Capital. Thus far, no curtailment is ordered for this area, and should not be as long as the metal is produced elsewhere at higher cost and supplies are imported from Canada.

Once an aluminum production unit is down, it undoubtedly will remain so. Cost of restoring the pots to operation is large. But the simple reason for the reduction order is that production is above the country's needs. Of units already down, two are in a three-line plant at Burlington, N. J., two in an eight-line plant at Brooklyn, N. Y., one in Tennessee, and one in North Carolina. The Burlington and Brooklyn units draw their electricity from coal-fired generating plants, and in their partial closure there will be an immediate saving of 70,000 tons of coal a month. It is possible to save more than 2,000,000 tons of coal annually by further shut-downs of their remaining units. Further, their cost factor is much higher. In the Pacific Northwest it is about 15 cents a pound, and in the East about 19 cents, the difference being due largely to our cheaper power.

Further, no manpower problem is involved locally in keeping the Pacific Northwest units at present production. This is officially confirmed.

The argument is all on our side and we commend our delegation in Congress in presenting it so promptly before the W. P. B.

A pertinent factual discussion of this program was made in an editorial in the Portland Oregonian January 6, 1944, which reads as follows:

The outcry raised by the northwest congressional delegation has brought a War Production Board reprieve for pot lines of this region's new aluminum industry, which W. P. B. had planned to close quietly during the recess of Congress. Yet there is no assurance that the threatened closures will not be made in the near future. As in the case of the alumina-from-clay plant which the Northwest saved after a hard fight, W. P. B.'s movements have been devious and deliberately confusing.

It must be understood, first, that once shut down, an aluminum reduction unit, or pot line, cools and "freezes" by the solidification of chemicals and materials. Weeks of time and large sums of money are required to "thaw" such a unit to bring it into production again. Any closures made might well be permanent. Again, the Northwest aluminum industry is the principal customer of

Bonneville and Grand Coulee, requiring about 75 percent of present capacity. The threatened closures at Troutdale, Vancouver, Longview, and Tacoma would cost about half of the total power load allotted to aluminum.

The latest figure advanced by W. P. B. indicates a surplus of aluminum ingots totaling 250,000,000 pounds, of which 190,000,000 pounds are allotted to the Shipshaw project in Quebec Province, financed by the United States Government through Metals Reserve Corporation under a weird arrangement which substitutes the aluminum standard for gold. This surplus is in pig metal. No one, to our knowledge, has shown that there is a surplus of extruded and rolled aluminum products. And although the Army and Navy have diligently searched for aluminum substitutes; although the public and many industries have been deprived of aluminum for more than 2 years, W. P. B. recently put the brakes on a program of expansion of aluminum fabrication. Philip Wilson, chief of W. P. B.'s Aluminum-Magnesium Section, has informed Congressmen that the United States must continue to buy from Shipshaw, to obtain repayment from Aluminum, Ltd., the Canadian affiliate of Aluminum Co. of America, of the money invested in the great power project and metals plant. Pig from the secretly financed and secretly constructed Shipshaw development already has replaced Northwest aluminum in lend-lease shipments to Russia. It will continue to flow into the United States for our own war and domestic needs, while American pot lines cool. No wonder that Congressmen plan to revive a resolution for an investigation of the Shipshaw deal, killed several months ago while the hush campaign was on.

In the wartime expansion of aluminum reduction plant capacity, that in the East was built near large cities where surplus steam generating capacity could be used. In the Northwest, plants were located in the area of great hydroelectric generating plants. They all obtain their raw material from Gulf plants that refine bauxite, which comes from South America, into aluminum oxide.

There is a longer rail haul from Gulf ports to the Northwest than to eastern steam plants, but the differential in favor of hydroelectric power over steam power amounts to \$30 a ton in cost of making aluminum. The aluminum oxide can be shipped to the Northwest and the metal can be shipped back East by rail at a total cost for both movements of less than \$30 a ton.

Rail capacity to handle the business is, of course, a factor as well as cost of transportation. But it is estimated that 3 eastern steam reduction plants require 50,000 freight cars a year to carry the coal that goes into the production of power they consume. Moreover they use 2,100,000 tons of coal in an area where coal is short and their operations call for the labor of 1,500 mine workers.

Use of hydroelectric energy for aluminum production does not diminish a natural resource, nor subtract in this area from power needed by other industries, or from fuel required to heat homes and business houses. The manpower situation in this section is subject to inquiry, and there is a manpower element in the operation of the eastern steam plants that rely on steam-generated power.

Aluminum authorities have been confident that in the post-war period Government steam-founded aluminum plants will have to close.

If cut must be made, the eastern steam plants, that must close in time anyhow, deserve to be first, if not all, to close. They at least are first to be affected by official order.

Mr. Speaker, as it is well known to the Members of the Congress, the manpower

shortage throughout the United States has eased up and there is a lessening from day to day of the demand for war workers which heretofore existed in some sections. In line with this program and cut-backs in many lines of production the War Manpower Commission on yesterday advised of a 600,000 worker reduction in manpower estimate for the next 6 months. Particularly in the Northwest area where a number of the aluminum pot lines are situated which are being considered for closing, there is no critical manpower shortage. In fact in some of the major industries I was informed only this week that the employment agencies are not able to provide jobs for all of the applicants. Much of the rumored shortage in that area was due not so much to lack of manpower as to wage disputes as between different industries and attempted shifting of workers to plants where higher wage rates obtained. Some heavy employers were overoptimistic in their estimates for future demands and their estimates for increased labor needs were found to be excessive. When all of these factors were eliminated it was found in the Northwest there was and now is ample manpower for keeping our war industries in full production.

There is no manpower shortage in the Pacific Northwest which would necessitate the curtailing of the production of aluminum or the closing down of these pot lines. If I am incorrect in that statement as it applies to Washington, I am sure the gentleman from Washington who so ably represents the district in which this great project, Grand Coulee, is located, will correct me.

Mr. HORAN. If the gentleman will yield, Mr. Speaker, I should like to say that the situation is very easy at Longview, and in Spokane there is the threat almost of unemployment at this time.

Mr. ANGELL. I will say to the gentleman, the telegrams with reference to manpower shortage I have included in my remarks show that to be true. It has been contended that shortage of manpower is one of the main factors involved in the curtailing of this production and the proposed closing down of the pot lines in the Pacific Northwest.

Mr. Speaker, having grown up in the Northwest and being familiar during all of my adult life with the wealth of the natural resources in that area, and having been concerned not only during my service here in the Congress but in the legislature in my State for many years with the development of the immense storehouse of electric energy in the Columbia River Basin, I am deeply concerned over the future of the hydroelectric projects, the aluminum industry, and other war enterprises using hydroelectric power in the Northwest area.

My first concern and your first concern, I am sure, is the full utilization not only of these great plants now devoted to war production in the winning of the war, but the conversion of them into useful enterprises in the post-war period to help in giving employment to our servicemen and service workers.

With this in view, on December 22 I wrote to Harold L. Ickes, Secretary of the Interior, who has jurisdiction over the Bonneville development, in which I propounded certain questions seeking information as to the plans of his Department for the continued post-war utilization of these Federal projects in the Northwest which have been constructed by the Federal Government at a cost of upward of half a billion dollars. The letter sent to Secretary Ickes reads as follows:

The northwestern House delegations have been informally organized to protect the development and industrial interests of the region.

In the short time that this group has worked together as a unit with one objective, we have had rather extensive experience with the conflicting actions of the temporary agencies. These conflicting decisions vitally affect the future welfare of the Pacific Northwest, and the sound utilization of a large Federal investment. We want to preserve this investment and keep the Government plants operating, and by so doing, utilize our immense pool of hydroelectric power, and at the same time develop our extensive natural resources.

Our first intimate and detailed experience with such actions was connected with War Production Board's adverse decision, later reversed, on the alumina-clay project. I was named chairman of a committee of three from the delegation to secure action on this matter. The experience gained through open hearings in this cause, and an examination of file records, lead us to feel that the full Federal and regional interests will not be protected unless some sound remedial action is taken. The question is still open as to the extent of necessary congressional action.

With this objective, I am writing to secure your views on several vital points. To shorten the inquiry, I am reducing these points to five fundamental questions:

1. What can the Department of the Interior do to prevent the shutting down of the Northwest aluminum plants?
2. What can Congress do about it?
3. Does the Department of the Interior have plans or suggestions for the operation of these federally owned plants to prevent them from becoming idle either during the war or in the post-war period?
4. What can be done about the transfer of lend-lease markets from the Northwest aluminum plants to Shipshaw and the consequent financial hardship on the Northwest operators and workers?
5. Is the Department of the Interior satisfied with preparing a public-works program for the Northwest to relieve men rendered idle by the closing down of war plants, or does it have more constructive suggestions to offer to Congress?

The Secretary of the Interior has been designated by Congress as the operator of the largest basic part of the Federal investment in the Pacific Northwest. This fact, together with your sound public statements on the fundamentals of this problem, prompts me to seek your views on this all-important matter.

On January 6, in reply to my communication, Secretary Ickes sent me the following letter, which contains proposals and suggestions for the continued utilization of these Federal projects in the post-war period, which are worthy of our study and careful consideration:

THE SECRETARY OF THE INTERIOR,
Washington 25, D. C., January 6, 1944.

HON. HOMER D. ANGELL,
House of Representatives.

MY DEAR MR. ANGELL: Your letter of December 22 with regard to the aluminum plants

in the Northwest has raised some fundamental questions that have been plaguing me and members of my staff since the inception of the first defense program more than 3 years ago. Because of our concern with the power developments of the Columbia River and the general well-being of the Northwest, we have sought ways of insuring a permanent aluminum industry in that region. These efforts have been directed to securing (1) competitive aluminum operations under management that would be interested in long-time operation, (2) fabrication facilities to complement the production of ingot aluminum, and (3) the use of local aluminous clays to prevent uneconomic importation of raw materials over long rail hauls. Briefly, these efforts can be summed up as seeking the full development of the industry for the benefit of the region and the Nation under nonmonopolistic conditions. The success of these efforts has not been complete, and I am aware that there is an increasing concern on the part of the citizens of the area that the end of the war will bring a serious retrogression that may turn present boom towns into ghost towns. I know that their concern, like yours, springs from a loyal nonpartisan interest in the welfare of the region and the country. While I have no sure cure, I am glad to give you some tentative conclusions in answer to your thoughtful letter, in the hope that they may be useful to you.

The immediate closing down of the Northwest plants seems unthinkable as long as aluminum plants using steam-generated power are kept in operation. I have already called Mr. Donald Nelson's attention to the fact that one plant of 8 pot lines uses 1,400,000 tons of coal and the efforts of 1,000 mine workers. Coal and mine labor is sorely needed for war purposes and for the homes of the country and should not be used for aluminum as long as water power is available. I am aware that other factors must be given consideration, but I can think of no factor that outweighs the availability of the low-cost water power of the Northwest.

The problem of keeping the Northwest plants in operation after the war need drops down is the most pressing one. It is part and parcel of the problem of handling the huge Federal investment in capital equipment throughout the country. In my opinion, the answer is of vital concern not only to the people of the Northwest but will affect the entire Nation. The disposition of the aluminum plants alone may have a direct bearing upon the technological progress of our country. The age of light metals will not be ushered in by the short-sighted small production policies of the past. In my opinion, the key to the solution lies in an emphasis upon production. Any effort to scrap or to lock up these Government plants must be discouraged. I have been asked to report on a number of bills that have been introduced in this Congress for the handling of these Government plants, and I shall do so at the appropriate time. Some of these measures seem to me to play into the hands of the monopoly interests and require the most careful scrutiny. The handling of the aluminum program for the war should make all of us extremely wary of any move that strengthens monopolistic control.

What is needed both for the Northwest and for the Nation is a group of independently operated aluminum plants and fabricating facilities that will produce aluminum at a price that will put it into the great common markets from which its high controlled price has always excluded its use as a major material. Those markets are in freight cars, ships, automobile bodies and engines, electric conductor and building construction. It is my opinion that a 15-cent controlled price will not bring in such markets for aluminum, but that lower, competitive prices are a prerequisite. I am confident that the profits on low-priced aluminum can be as large, with

large sales, as they have been on high-priced aluminum with small sales. There is nothing in the history of the monopoly to justify the idea that it will voluntarily or permanently embrace the dynamic American business idea of large sales and low-unit profits. Therefore, independently operated plants and facilities are a prerequisite to that result. That result alone can keep the bulk of our aluminum facilities operating. It can also give our post-war industrial expansion an impetus similar to that given at the end of the last war by the low-priced automobile.

In considering the disposal of the Government-owned aluminum plants and other industrial facilities, the main emphasis must be upon continued production. All this equipment must not be allowed to rust in useless idleness. We also have the obligation to secure an adequate return to the Government on its investment. We have a further obligation to prevent the \$15,000,000,000 worth of equipment from being used to stifle independent competitive business enterprise.

With these objectives and obligations before us, I make the following suggestions:

1. Whenever any of these Government-owned plants are closed down for lack of war orders, they should immediately be advertised for competitive bidding on a conditional lease basis.

One advantage of leasing over selling is that the use of the plants thus becomes open to competent aggressive managements that could not borrow the capital necessary to purchase the plants, but could pay a very adequate annual rental and depreciation.

2. Whenever the successful lessee fails to operate the plant at a given rate of production over a given period of time, the facilities shall immediately be reopened for competitive bidding.

This achieves the objective of keeping the plants in operation. No plant will be allowed to stand idle as long as there is a willing and independent person or company able to operate it.

3. The leases must provide that the bidders have no idle plant of the same type on their hands, and that new bidders must be independent of the operator who kept the plant idle.

The requirement that the bidders have no idle plant on their hands is to prevent monopolies from shutting down their present plant simply for the sake of securing newer facilities. The requirement that new bidders must be completely independent of any operator who kept the plants idle is essential if the plants are not to be kept idle by a series of dummy companies operating in behalf of a monopoly.

4. Of the Government-owned war plants, one plant of each type should be operated at cost by the Government as a yardstick for the purpose of reducing costs to the taxpayers on material required by the military services or for other governmental purposes, and incidentally for the purpose of lowering monopoly prices, preventing discriminatory and monopolized sales distribution, and for the purpose of making cost figures available to possible lessees on other Government plants of the same type.

I believe that such an arrangement might make it impossible for a monopoly to close these plants permanently or to hold prices up permanently. It would stimulate the interests of smaller businessmen in getting into operation. It would prevent a disastrous exodus of workers from the area. It would do much, in industries such as aluminum and magnesium, where high controlled prices have prohibited wide use of the material, in bringing the prices down, and in stimulating large sales. This would not need to be accomplished by a lowering of rental payments, for rent is a small part of the cost of production. It would be accomplished by making the facilities available to able managements

which could pay an adequate annual rental and depreciation, and yet might never accumulate the millions necessary to purchase these facilities in competition with the larger companies.

In short, I believe that this would be a blow struck for the system of free competitive enterprise, and I can imagine no free enterprise which is not competitive. I realize that there will be difficulties in administering this arrangement, but compared to the difficulties of obtaining competition through court action under the antitrust laws they will be minor; compared to the difficulties of securing competition if these plants were in the hands of the monopolies, they would be as sheer gossamer to a high-carbon armor plate.

My suggestion to rent as much as possible of the Government's capital plant to independent producers tends to give the system of free competitive enterprise what may be its last chance to prove its superiority to a system of monopolies and cartels. If Congress allows this additional \$15,000,000,000 of plant to be put into the hands of companies that may close the plants down or otherwise integrate them with monopoly, the possibility of major industrial competition in many fields in this country will, I believe, be ended, regardless of how much Congress amends and strengthens the antitrust acts. On the other hand, if Congress dedicates this \$15,000,000,000 of plant to free competition, that event would give the free competitive system both relief from the prospect of having this large plant investment used against it, and also a base of its own, which it badly needs after the ravages of the war.

Let me add, in complete candor, that I am not sure that relieving the competitive system of the prospect of having most of the \$15,000,000,000 worth of plant kept in the hands of monopoly would be enough to see it through the years ahead. There are other conditions for the survival of free enterprise. Among them are:

1. Access at low cost to that major requirement of modern industry—long-term investment capital. The Northwest does not have the local accumulations of savings that are required to finance the costly electrometallurgical plants for which it is particularly adapted.

2. Access to markets through nonprejudicial and competitive transportation rates. The West, like the South, needs an equal opportunity to get its products into the large markets. For the Northwest the reestablishment of competition in intercoastal shipping seems essential. The high-priced shipping monopoly to Alaska has held back that area for years, and with it the west-coast ports.

3. Access on a basis of competitive equality to the Nation's supply of technological information. For a region such as the Northwest, which could easily become the light metals center of the world; access on equal terms with all others to the technological information of the Nation is probably a major requisite for growth, as well as essential insurance against monopoly.

All of these, together with the independent operation of the Government plants, seem to me to be essentials for the development of the Northwest and of those other regions of the Nation whose future is still before them. I do not see how great developments can take place in any other way.

You asked two additional questions. One was, What can be done about the transfer of lend-lease markets from the Northwest aluminum plants to Shipshaw and the consequent financial hardship on the Northwest operators and workers? I do not believe that it is a desirable long-run economic policy to have a plant whose future ownership is already in the hands of a brother company of the American monopoly given preference on lend-lease orders which plants in the United States have been filling at the same or lower

prices. It is difficult to believe that Shipshaw was constructed with United States money for the purpose of putting United States plants out of operation. I suggest that this matter be discussed with the Foreign Economic Administration and other agencies responsible for the Shipshaw plant. I am sure that they will agree with the desirability of providing that independent aluminum plants on this side of the border do not have to take all of the war risk, while Shipshaw and the Canadian monopoly are held safe from risk.

Your final question was, Is the Department of the Interior satisfied with preparing a public-works program for the Northwest to relieve men rendered idle by the closing down of war plants, or does it have more constructive suggestions to offer to Congress? The Department of the Interior has a considerably more comprehensive program than that usually described as "public works." The program of development of the Columbia River with its vast potentialities of low-cost power is not a static public-works plan. It is geared to the expanding private enterprise that has need for the huge blocks of power that will be produced. Moreover, the reclamation program, of which the Columbia Basin project is an outstanding example, will provide a large number of returning soldiers and war workers with a basis of living and a way of life that is not comparable to a mere transitory employment program. The balancing of industry and agriculture that has been the American dream for generations has nowhere had a better opportunity of fulfillment than in the post-war Northwest. The plans of the Department of the Interior, with its emphasis on multiple-purpose development, its creation of new lands and new industries based upon low-cost power and processing of indigenous raw materials, if properly implemented, could become one of the major factors of lessening the dependence of the Northwest upon the usual work programs after the war. I am hopeful that the program will be allowed to go before the Congress in time to allow for the necessary preliminary work and designing, and that the Congress will recognize the importance of the income-producing and wealth-producing works of this Department.

Sincerely yours,

HAROLD L. ICKES,
Secretary of the Interior.

Mr. Speaker, I am referring to this correspondence at this time by reason of its pertinency and bearing upon the proposal to shut down the aluminum pot lines in the Northwest which are using the hydroelectric power developed by the Government plants in the Columbia River Basin.

As stated by Secretary Ickes—

In considering the disposal of the Government-owned aluminum plants and other industrial facilities the main emphasis must be upon continued production. All this equipment must not be allowed to rust in useless idleness. We also have the obligation to secure an adequate return to the Government on its investment. We have a further obligation to prevent the \$15,000,000,000 worth of equipment from being used to stifle independent competitive business enterprise.

Mr. Speaker, the problem facing us today having to do with aluminum production in the United States is a basic problem upon which the economic and industrial development as well as the military defense of our country may well depend. We all know that in these critical war days air power is a major factor. Our deficiency in aircraft when war was thrust upon us crippled our fighting abil-

ity and set us back in our war program perhaps a year. Many in the Congress had been urging for over 2 years a more vigorous air program and expansion of our facilities for fighting aircraft and the coordination of the air force.

If we now adopt a short-sighted policy which will make us entirely dependent upon foreign countries for aluminum, we will not only place in jeopardy the success of our industrial enterprises in the post-war period which are dependent upon aluminum but we will also place our national defense, insofar as air power is concerned, in the control of foreign governments. We should not, under any circumstances, permit the closing down of our own plants and facilities for the production of aluminum in continental United States and the substitution therefor of an imported product from foreign sources, and thus build up a competitive regime which will ultimately result in the stagnation of aluminum production in the continental United States.

The following memorandum, dated September 3, 1943, by A. H. Bunker, who at that time was the director of the Aluminum and Magnesium Division of the War Production Board, is significant:

SEPTEMBER 3, 1943.

I am deeply disturbed by the minutes of the production executive committee meeting of September 1, which have just come to hand, insofar as they have voted to cancel out all of the projects for producing alumina from nonbauxitic domestic material and the balance of this program still under consideration. I believe this decision is a grave mistake.

The history leading up to the sponsorship of this program is a long and complex one, dating from almost the moment of my arrival in Washington in June of 1941. The very first step which I took upon arriving here was to cause a careful and thorough examination of domestic bauxite reserve to be made. It was immediately apparent that these reserves were inadequate to bear the full weight of a long and difficult war. The amount of high-grade ore, or that type of ore then regarded as commercial, was extremely limited, and even the lower grades of ore represented by no means extensive reserves. As soon as we had provided initial facilities for expanding the production of both alumina and aluminum by standard processes, we turned our attention to providing ways and means of successfully using all of the lower grade bauxite ores and also to developing and selecting those processes which would lend themselves to the recovery of alumina from nonbauxitic materials. We realized that this latter program would be a long and arduous one.

We enlisted the active help of the National Academy of Sciences, who immediately formed an alumina committee to devote itself to this problem. This work involved an examination of countless processes, recommendations, and suggestions for improving processes, pilot plant work under the direction of the war metallurgy committee largely at Government expense, and encouraging corporations not then engaged to enter into research work on clays, mine tailings, and many other available aluminous materials.

There was, of course, at that time no particular concern as to the safety of shipping in the Caribbean, as this had always been regarded by the Navy as highly defensible territory. However, we were very definitely concerned over the enormous requirements that might be placed upon shipping to conduct any large-scale war. We for that reason felt that every step should be taken to

make this country entirely self-sufficient in supplying all of its necessary alumina from domestic raw materials, whether these were to be low-grade bauxites heretofore not used in the commercial production of alumina, or other nonbauxitic materials which we then knew to be extremely abundant.

As far as high-grade reserves of bauxite are concerned, they are being depleted with almost frightening rapidity; as far as the very low-grade reserves are concerned, we have not yet placed in operation our lime-soda-sinter facilities and therefore have no final proof of the degree of effectiveness of those facilities. In any event it is quite evident that another 2 years of war will so seriously deplete both high-grade and low-grade bauxite reserves that the rate of mining is likely to become sharply reduced to such an extent that the output of these ores may be quite inadequate to support the present aluminum system at full scale operation. Short of ability to use domestic nonbauxitic raw materials this would immediately make us again dependent upon importation of foreign bauxite.

It is true that within recent months the Navy has suggested that conditions are very much easier, due to substantial correction of the submarine menace and to the large amounts of merchant tonnage which are being constructed and put into service. Of course, I am in no position to judge whether the correction of the submarine menace may or may not be of a temporary nature, and I am certainly not in the final position to judge whether those amounts of merchant tonnage which are now being put into service will all be needed to conduct future military campaigns or whether there will constantly remain a surplus available for the movement of very large tonnage of bauxite. I can only know that the pressure upon us has been constant to reduce imports throughout the entire last 2½ years. There has never been a suggestion that either the Navy or the War Shipping Administration would be willing to commit themselves to an adequate program of imported foreign bauxite. That condition, as far as we are concerned, would still obtain today even if we did receive some temporary assurance that larger tonnages of bauxite could be moved from South America. This still would seem to me to be an inadequate guaranty that we could continue to count upon such movements over the next few years.

Without being a military strategist, I can conceive of any number of vicissitudes which would make it extremely difficult to undertake the importation of the millions of tons of bauxite necessary to maintain the operation of the present North American aluminum system. Any consideration of this problem must include not only the United States but Canada. There are many thoughtful people who consider it quite possible that Russia might engage in a separate peace and that the consequence thereof would be to prolong this war on the part of the Allies by a great number of years. I, of course, have no way of knowing how much substance there may be in a premise of this sort.

However, any decision now made which would eliminate the construction and operation of those plants projected for the treatment of nonbauxitic aluminous metals and would cancel the rest of this program now in progress must, in my opinion, be predicated upon a series of optimistic assumptions and possibly a combination thereof. It must be assumed, it seems to me, that the war will be a short one or that even if it should continue for a number of years shipping would at all times be relatively so free that it would not impose any burden upon military operations to continue not only to import several million tons of bauxite a year from South America but to increase rapidly the future rate of importation. These

assumptions seem very hazardous to me, and if they should turn out to be wrong this country could easily be placed in a position of great jeopardy.

It is a fact that we have already stripped the cream of the high-grade deposits from Arkansas and are continuing to strip them at an unparalleled rate. Each 12 months leaves this country's limited bauxite resources in a weaker condition.

It is a function of any process work, such as that under consideration, that it takes long periods of time to select and develop the means best suited to the solution of new technological problems, and from that point to the stage of commercial production requires further large periods of time. The whole program is now so timed that one has a right to assume that as our domestic bauxite deposits are being reduced, we are preparing in a timely fashion to replace them with other raw materials as bauxite production declines. For example, 2½ years from now we could be in a position to produce on a large commercial scale such alumina as we might need to support the present aluminum system even with substantially decreased domestic bauxite production.

This whole question of preparing for the self-sufficiency of raw material supply for the continental aluminum system has received very extensive consideration by large numbers of technical people, and I think it is fair to say that all of those individuals and groups are in agreement that the steps we are now taking are justifiable, and in order, and that they should, if anything, be extended. It is my own personal opinion that we have not gone far enough and that to be entirely safe we should add at least two or three more processes of promise to our program.

In conclusion, if we cancel out this program we can claim self-sufficiency for the aluminum system, undoubtedly the most vital metal system in the entire conduct of the war, only provided we assume either a short war or a far greater degree of shipping freedom than we have ever enjoyed in the past 2½ years. Both of these premises seem to me to be extremely hazardous and are not assumptions upon which we should dare to risk the possible outcome of this war. I feel this matter deeply and have therefore taken this opportunity to present my views, opposed as they are to the action of the P. E. C., and to present them as vigorously as possible. Naturally, I should be very glad to appear before the next meeting of the P. E. C., if you would deem this a suitable method of reopening this important question.

A. H. BUNKER,

Director, Aluminum-Magnesium Division.

While Mr. Bunker's memorandum had to do with the program for production of alumina from clay within the United States, it is particularly pertinent to the critical situation facing us with reference to the ability of the United States to supply our needs of this important critical material within the confines of our own boundaries. We must by all hazards keep the United States self-sufficient in the production of aluminum. It is infinitely more important than that other critical material, rubber, which almost wrecked our war program by reason of dilatory and bungling tactics of our officials who had the matter in charge in refusing to provide stock piles and production facilities for synthetic rubber within continental United States and leaving us entirely dependent upon importations from foreign sources. This same program is now in the offing for aluminum production.

There is a grave question as to whether our present supply of aluminum justifies the curtailment of production of this important product. It is true that the orders from the Army, Navy, Maritime Commission, and Lend-Lease presently made leave an excess of aluminum, but this is not released by these agencies but is held on order, according to my information. Increased demands may result at any time, due to the exigencies of war and the great losses of fighting aircraft which may take place in addition to the losses we are now suffering. Pertinent and interesting facts bearing upon the critical situation with reference to our aluminum supply here in continental United States are set forth in a memorandum dated October 13, 1943, by Secretary Harold L. Ickes, as follows:

First, the high-grade bauxite reserves containing less than 8 percent silica in this country are not more than 6,500,000 tons, according to the Bureau of Mines' reexamination made in the past month. This reserve represents 1½ years' supply for the United States, or approximately a three-fourth year's supply for the United States and Canada at the present rate of use. After that, our high-grade bauxite is finished, for this war and for any other war.

The next grade of bauxite containing between 8 and 12 percent silica is going to be exceedingly difficult to process by any means that either the Aluminum Co. of America or the National Academy of Sciences has approved for adoption. In a memorandum of protest against the cancellation of the three clay plants, dated September 3, Mr. Arthur Bunker, head of the Aluminum and Magnesium Branch of the War Production Board, stated: "As far as high-grade reserves of bauxite are concerned, they are being depleted with almost frightening rapidity; as far as the very low-grade reserves are concerned, we have not yet placed in operation our lime-soda-sinter facilities, and therefore have no final proof of the degree of effectiveness of these facilities." The Bureau of Mines shares Mr. Bunker's doubts about the prospect that these facilities can operate successfully on bauxite with more than 8 percent silica under processes approved by the National Academy of Sciences.

The same grave doubt as to its usefulness in this war under proposed processes applies to the mountain of reserves of bauxite averaging 13 percent silica, acquired by the Metals Reserve Corporation. There is a real possibility that these stock piles will be sold at the end of the war at a great loss to the Government.

The more recent discoveries of high-grade bauxite reserves lie much deeper below the surface than those being mined. No plans for mining them are under way. Not only will this take a year in preparation, but some of these new reserves contain more ferrous iron than can be handled by methods now in use. This means that the processing will be more difficult and will result in more off-grade aluminum.

Second, the consequences of depleting our high-grade bauxite will force our dependence in wartime upon the expensive conveying of such ore from South America. The movement of over 6,000,000 tons annually of high-grade bauxite to the United States and Canada means the use of many ships and crews, escort vessels, and aircraft. These could be used more directly in the war rather than in the protection of supply lines. Your staff can calculate the loss to the fighting fronts. I have seen no assurance from the Navy and the War Shipping Administration that they are willing to commit themselves to devoting six times the present number of ships to importing high-grade bauxite. I have as yet

seen no evidence that they will thank the civilian agencies for making a high-class bottleneck target for the enemy out of our vital supplies.

Third, there is grave doubt as to the validity of the underlying assumption of the cancellation, that the war will be over in 2 years, by 1945, when these three alumina-from-clay plants would start producing and would point the way to our self-sufficiency in aluminum raw materials. I point to the fact that other war contracts are being made involving commitments through 1947. I doubt that the War Production Board has received any assurance from the Commander in Chief or from the military leaders that the war will be over in 1945.

Fourth, there is further doubt as to the wisdom of the policy involved in this cancellation. Given the rapid exhaustion of our own high-grade bauxite sources, it is simply a matter of elementary military sense to have an alternative source of supply available in the continental United States. There is now a general agreement that this source is aluminous clay. The three semicommercial plants which will prove up three different processes for extracting it need some time to complete their work. Our Nation should not be left naked in the period between the exhaustion of our high-grade bauxite and the proving of these processes. By the time our own high-grade bauxite sources are exhausted in 1945, these plants should be finished with their semicommercial operations and ready for expansion. I am in favor of such intelligent and farsighted insurance.

Finally, there is also grave doubt that the current claims of a surplus of alumina and aluminum will remain true 6 months from now, or would be true now if the past shortage had not forced a switch to other metals in munitions production. The delay in completion of the extrusion and other fabricating plants has been the main cause for the accumulation of unused aluminum. The requirements of fabricated products from January to June 1943, inclusive, were 1,237,800,000 pounds, while the actual production was 990,400,000 pounds, a deficiency of 247,400,000 pounds. While these deficiency figures can of course be altered by arbitrary paper revision downward of requirements to meet an inadequate supply, I believe that the surplus of aluminum now on hand hardly meets past requirements, as they were once given by the War Production Board. I believe more rather than less alumina should be used in the various phases of war production.

FOREIGN IMPORTATION

The startling fact involved in this proposed cut of aluminum production in the United States is that the plan contemplates the annual importation of 630,000,000 pounds from a foreign source, namely, the Shipshaw plant in Canada. This importation is designed to take up the slack in cutting off production here in the United States. It should not be overlooked, however, that the raw bauxite from which aluminum is made in the Shipshaw plant must be transported by ship from South America to United States ports and thence by rail to Shipshaw to be reduced to aluminum ingots and then transported by rail back to the United States. This long and expensive process involves much water and rail shipping, convoy operations, and use of war facilities supplied by the United States which are vitally needed in our war efforts.

Do not misunderstand me; I am heartily in accord with the good-neighbor policy. There is no conflict between

this great country of ours and our Canadian brothers on the north or with any of the Allies who are fighting so bravely by the side of our boys overseas; we are fighting side by side in complete harmony. We now, however, are discussing a matter of home production of a necessary product not only essential to the progress of the war but absolutely essential to many other commercial enterprises if they are to succeed in the post-war period.

Mr. Speaker, while we have expended \$69,500,000, funds loaned without interest, in the construction of the Shipshaw plant, a considerable portion of this has now been repaid under the repayment provisions in the reduction of the purchase price for aluminum delivered to the United States. Rather than close our own aluminum facilities, shut down our pot lines and stymie aluminum production in continental United States, and deprive our own laborers in the post-war period of employment in our own aluminum industries, we would be far better off to forfeit the balance coming on the Shipshaw loan. There is no merit in the argument that we should close down our American plants in order to continue importations from the Shipshaw plant to prevent losing the moneys invested therein.

It is true that some of these facilities used in transporting bauxite to Shipshaw would be needed to bring the same bauxite to continental United States for reduction in our own plants. However, at the present time I am reliably informed that practically all of the raw material being used in the United States is coming from Arkansas.

American tax dollars built the Shipshaw plant. We furnished the money without interest, and my information is that the plant is free from taxes from the Canadian Government and it is put in this preferred class in the production of this most important war material, as well as an essential material for civilian uses in the post-war period.

The following letter from the Secretary of Commerce to Senator TRUMAN explains the Shipshaw arrangement:

THE SECRETARY OF COMMERCE,
Washington, March 24, 1943.

HON. HARRY S. TRUMAN,
United States Senate,
Washington, D. C.

DEAR SENATOR TRUMAN: In reply to your inquiry about Metals Reserve Company's purchases of aluminum from Canada, beg to advise that May 2, 1941, at the request of the Office of Production Management, Metals Reserve Company contracted with the Aluminum Co. of Canada for the purchase of 170,000 metric tons (374,680,000 pounds) of aluminum at 17 cents per pound, the then-prevailing price of aluminum in this country.

This contract and all subsequent contracts in this program were approved by the President.

In connection with the purchase, the Aluminum Co. required an advance of \$25,000,000, which we agreed to make at 2 percent interest. Such advances are authorized in connection with the purchase of critical and strategic materials under section 5d of the Reconstruction Finance Corporation Act, as amended, and do not require interest. The interest was computed to equal 0.295 cent per pound

of aluminum, and in drawing the contract this was deducted from the price of 17 cents. The advance was to be amortized at the rate of 6½ cents per pound of aluminum delivered.

Substantial advances on purchase contracts of critical and strategic materials have been made to China and Russia and in connection with purchases in some Latin American countries.

May 13, 1941, the Office of Production Management requested that the initial contract be doubled. This was concluded at the same price. The company asked for an advance of \$25,000,000 against this contract, and a loan for this amount was made to it by the Export-Import Bank at 3 percent interest.

In negotiating contracts with the Aluminum Co. of America to build and operate aluminum plants in the United States for our account, we secured a reduction from Alcoa in the price of aluminum in the United States from 17 cents to 15 cents per pound, thereby saving the Government a great many millions of dollars.

After getting the reduced price from Alcoa, we asked the Aluminum Co. of Canada to reduce their price from 17 cents to 15 cents, notwithstanding we had contracted to pay 17 cents. The company was reluctant to reduce the price since they were getting 17 cents from the British and Canadian Governments. However, we finally prevailed upon them to reduce the price to 15 cents on 80 percent of the shipments. To get this reduction in price, we waived the interest on the advances, and made a reduction in the amortization requirements. The reduction from 17 cents to 15 cents saved Metals Reserve Company \$16,000,000, while only \$2,500,000 was waived in interest. This revision of the previous contracts provided for an increase in our purchases of aluminum from Canada to 1,000,000,000 pounds.

February 23, 1942, we were requested by the War Production Board to increase the purchase of Canadian aluminum by an additional 370,000,000 pounds. These purchases were made at the reduced price schedule. The latter contracts also provided for advances against deliveries.

Total loans and advances to date in connection with all purchase contracts aggregate \$69,500,000, and repayments have been \$15,919,477. Total amount of aluminum contracted for is 1,370,000,000 pounds, and deliveries to date have been 368,000,000 pounds.

The contracts made provision for a fixed basis of cancellation on any part of the aluminum that we might determine not to buy.

Metals Reserve Company has had no control over the expenditure of the loans and advances; that is, whether they were to be used for working capital, plant expansion, or otherwise.

Sincerely yours,

JESSE H. JONES,
Secretary of Commerce.

Mr. Speaker, I ask, Is it good business, is it common sense, is it fair to the American taxpayer to close down our aluminum pot lines in the United States which have been constructed at the taxpayers' expense and which are utilizing cheap hydroelectric power, also furnished at the taxpayers' expense, and throw out of employment American workmen in order to import from foreign sources aluminum not only needed in war production but for civilian uses now and in the post-war period, and thus build up in the hands of foreign competitors a monopoly which will fit nicely into the cartel system which stifled free competition in many essential products in the pre-war period?

We are today pleading for the preservation of a great American industry. We

do not want this great aluminum industry in the United States scuttled and abandoned in the post-war period and our American laborers thrown into the ranks of the unemployed.

Mr. HORAN. Will the gentleman yield?

Mr. ANGELL. I yield to the gentleman from Washington.

Mr. HORAN. I would like to comment, if the gentleman will allow me, that we have made the charge aluminum can be produced profitably with cheap hydroelectric power for less than 10 cents a pound. We know that our Government contracts call for 15 to 21 cents a pound. If we are to carry this new-found industry into the post-war era where it will be of greatest value to our domestic production of all products from aluminum to get the raw metal at the least sound price, certainly someone should determine whether we are right or wrong in asserting that aluminum can be produced profitably for 10 cents a pound. That assertion has not been challenged.

Mr. ANGELL. I thank the gentleman for his contribution. The plea I am making here today is, first of all, that we may keep our fighting forces supplied with every material, every resource, and every fighting tool that they need, not only to protect themselves in this great contest with death that they are waging overseas, but in order to bring this fight to a victorious conclusion in what is now the greatest catastrophe and tragedy that has ever ravaged the world.

Further than that, Mr. Speaker, after the war closes and after these boys come back victorious, after the guns stop firing, we will have a problem perhaps as great and as difficult of solution as bringing victory to our cause, and that is the reconstruction of our whole financial and economic post-war productive activities and social life so that we may bring back into our social and economic structure the 10,000,000 men and women who are now fighting in uniform and the twenty or twenty-five million additional people who are doing heroic service in the great war plants of America. That will be your problem and mine. We must begin to plan now to make sure that all of our productive facilities now being utilized for war purposes shall be converted to civilian use and be kept in operation insofar as that process is possible. No one can deny successfully that there will be an immense demand for aluminum in post-war activities. Many new uses for this important material have now been developed and the ban against production for civilian uses of products requiring aluminum during the war period will make a heavy demand for the production of aluminum following the war. We should not take any steps now which will curtail aluminum production in our own country and prevent us from making use of our full productive facilities of this necessary material which will not only mean jobs for many thousands of our returned soldiers and released war workers, but will provide employment for many others in

industries, fabricating and processing aluminum into useful commercial products.

My plea is that every single industry, every great industry like the aluminum industry here in America in which we have put the hard-earned tax dollars of the American people, should be protected and it is our solemn duty as Members of Congress to see to it that we take no action today or tomorrow or at any time before the war ends that will place these great plants of ours at a disadvantage so that they may be sold under the hammer when the war is over as junk instead of being continued as useful, productive enterprises in this country.

The aluminum industry is facing that very situation today. The reconversion period is beginning. If we close down aluminum production in America now and make ourselves dependent upon foreign importations, we will have stifled one of the greatest industries we have in this country. After the war the increased uses for aluminum not only by reason of the fact that it has been denied to manufacturers for productive civilian uses during the war but also for the hundred and one increased uses that have been developed for aluminum will create a demand upon our production facilities far greater than we will have the rated capacity for in the United States.

Mr. Speaker, it seems clear that we in America should first of all, looking toward the successful prosecution of the war, utilize, develop, and perfect every single one of these great aluminum plants as well as all other productive enterprises so that we may not only have them running full force day and night during the war to win the war, but that we may then harness them in civilian pursuits to furnish our boys coming back from overseas with employment. We can profitably and successfully compete, if these American industries are given a fair break.

Mr. Speaker and my colleagues, I plead with you to join me in protecting this great industry—aluminum production—in our own continental United States. Let us not trade it off down the river for foreign importations and curtail our own aluminum plants built with American taxes and throw our American workmen on the breadline in the post-war period and make America dependent upon foreign countries for aluminum, both for civilian uses and national defense.

The SPEAKER pro tempore. The time of the gentleman has expired.

EXTENSION OF REMARKS

Mr. MARTIN of Iowa. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an article on hogs and hog products and prices.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa [Mr. MARTIN]?

There was no objection.

The SPEAKER pro tempore. Under previous special order of the House, the gentleman from Missouri [Mr. COLE] is recognized for 5 minutes.

THE LATE LT. (JR. GR.) CLARK FRANKLIN RINEHART

Mr. COLE of Missouri. Mr. Speaker, yesterday I was highly honored by a visit from Judge and Mrs. Frank T. Rinehart, of Ridgeway, Harrison County, Mo., who came east to participate, last Sunday, in the launching at Port Newark, N. J., of the U. S. S. *Rinehart*, a destroyer escort named in honor of their son, Lt. (Jr. Gr.) Clark Franklin Rinehart, who, as a Navy combat pilot of a fighter plane, rendered distinguished service in the battle of the Coral Sea on May 7 and 8, 1942, for which he was posthumously awarded the Distinguished Flying Cross and the following citation:

For extraordinary achievement in aerial combat, as pilot of a fighter plane in action against enemy Japanese forces in the battle of the Coral Sea, May 7 and 8, 1942, with utter disregard for his own personal safety, Lieutenant (Jr. Gr.) Rinehart boldly engaged enemy Japanese aircraft and by his courage and expert airmanship contributed materially to the defense of our forces. His gallant and fearless conduct throughout this battle was in keeping with the highest traditions of the United States naval service.

Judge and Mrs. Rinehart are outstanding Missourians, and they and their family have gone all out in our war effort. Four other sons are now valiantly serving our country: Lt. Carl Ward Rinehart has served with distinction overseas and is now an instructor in Naval Air Service at Jacksonville, Fla.; First Lt. Marvin L. Rinehart is now serving with our Army in England; Ralph Olin Rinehart is serving in the Aleutian Islands; and Kenneth Wilbur Rinehart is now a patient in a hospital at Santa Cruz, Calif. Each of these boys volunteered to serve.

Furthermore, Mr. Speaker, my distinguished constituents are farming 514 acres of fertile soil, feeding 362 head of livestock, caring for 600 laying hens, and doing it with little or no help, while, at the same time, Judge Rinehart fulfills all of his official duties as county judge. They insist that they are doing no more than any of their neighbors and that theirs is typical of the spirit which prevails in northwest Missouri.

Mr. Speaker, I am exceedingly proud to pay tribute to the Rineharts for their outstanding service to our cause.

MARKETING OF HOGS AND PORK

Mr. CASE. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota [Mr. CASE]?

There was no objection.

Mr. CASE. Mr. Speaker, there is nothing in the field of marketing and production today that is being so abused as that which pertains to the marketing of hogs and the pricing of pork.

The secretary of the National Farmers Union, Mr. Emil Loriks, of South Dakota,

and Mr. John Skage, president of the South Dakota State Farmers Union, have been in Washington for several days trying to bring order out of the chaos that exists. They have prepared a three-point program which they have urged on the War Food Administration to bring some order out of this chaos.

Today, they are releasing a statement, which, with the permission of the House, I insert at this point:

CHAOS IN THE HOG MARKET

Demands for an investigation and correction of marketing abuses and adoption of a three-point program to bring order out of chaos in the hog market were made by Emil Loriks, secretary of the National Farmers Union, and John Skage, president of the South Dakota Farmers Union, as a result of a conference of several North Central hog-producing States in December.

Skage issued a statement charging too much divided responsibility and "buck passing" in Washington. He said, "Unless various governmental agencies coordinate their activities to arrive at some sane and sensible decision for immediate action, pork production will drop to unbelievably low levels in 1944." After a week of conferences here in Washington he said, "I am alarmed over the smug complacency and false optimism and the do-nothing attitude prevailing within some agencies dealing with food problems."

"There is rebellion in the Northwest," said John Skage, "and there is a limit to tolerance of bureaucratic bungling in the administration of the national all-important food program."

"While floor prices have protected hog producers against ruinous prices," he said, "the floors established must be undergirded to withstand the impact and pressure of abnormal conditions. Floors must be susceptible of upward revision to promote orderly marketing in a crisis such as we face in the 60 days ahead."

"The same protection must be afforded the producers of eggs now experiencing ruinous price declines. It is a matter of integrity, keeping faith with the producers, backing Government commitments, to maintain confidence in government."

"We have demanded investigation and correction of flagrant marketing abuses. We have presented a sane and sensible program for orderly marketing in the present emergency."

"Failing to get action we will urge as a final and last alternative that the Government take over the meat-packing industry as they did the railroads and operate them for the benefit of the public and principally for promoting the war effort on the food-production front."

Mr. Skage and Mr. Loriks have spent several days in Washington, and I think, Mr. Speaker, it is fair to say that they are leaving the city in anything but a happy mood. They came here with a specific three-point program, they did not come simply to register a complaint; they came prepared to suggest a remedy. They were given an audience, yes. They saw, among others, the following people: Judge Marvin Jones, War Food Administrator; Wendell Berge, Assistant Attorney General in charge of antitrust enforcement; J. B. Hutson, Director of Food Production; and Harry E. Reed, Chief, Livestock and Meats Branch, F. D. A., both of the War Food Administration; Secretary of Agriculture Claude R. Wickard; H. H. Williamson, agriculture coordinator of O. P. A.; and Stuart K.

Barnes, vice president, Defense Supplies Corporation. But the confusion of authority made Mr. Loriks and Mr. Skage almost despair of effective action being taken. Mr. Skage's remarks as he left the city, I have given above.

These men did not approach the matter belligerently; they had called attention to the fact that the farmers throughout the Dakotas and throughout the Northwest generally have answered the call of their country; that in response to the request of the Government, they have broken all records for hog production.

They then said:

The reward the farmers are now receiving for this cooperation is inability often to sell their hogs at any price, severe breaks in price, when they can sell them, and threatened destruction of their established channels of trade.

The most serious of the many problems now facing hog farmers is the dilemma of insufficient feed for hogs, and housing on the one hand, and inability to market them on the other.

The recent action of the War Food Administration in raising the weight limit on hogs eligible for support prices from 270 to 300 pounds, has had a very good result. We commend that action and urge that additional steps be taken.

What is needed is a rounded program. We suggest the following three-point program:

A THREE-POINT PROGRAM

1. Restoration of an open competitive market situation by—

(a) Withholding of subsidy payments from those packers who evade by direct buying the requirement that they pay support prices;

(b) Or by Federal inspection and grading of all hogs sold for slaughter;

(c) Or by establishment of a Federal quota system of purchases by packers from commission firms, based on historic volume;

Or by a combination of these measures.

2. Seasonal variation in support prices to give farmers with sufficient feed an incentive for holding hogs off the market.

3. Increase from 300 to 350 pounds of the upper limit on weights of hogs eligible for support prices.

Mr. Loriks and Mr. Skage set forth their program in detail as follows:

1. (a) *Withholding of subsidy payments from those packers who evade by direct buying the requirement that they pay support prices*

The Government has required packers to pay support prices to farmers as a condition for receiving subsidy payments. Subsidies have been withheld not only under the hog program but under other programs for failure of processors to comply with this requirement. Only if this condition is met, can it be said that processors are passing on to farmers the full amount of the subsidy payment to which farmers are entitled.

Therefore, if a packer by resorting to direct buying evades the requirement that he pay farmers support prices, then he is guilty of evading the Government's requirements. We have definite evidence that this is what is happening. In South Dakota, packers have resorted to direct buying as a subterfuge to enable them to decide, with no check whatever on their decision, whether hogs are choice hogs and so eligible for support prices. They are able to do this because heavy supplies of hogs and lack of feed and housing facilities on farms have resulted in market gluts. When the packers boycott the commission

firms, farmers thus are forced to deal direct with packers with no protection whatever on the grading of the hogs.

The result, we hold, is clearly an evasion of the Government requirement that packers pay to farmers the minimum support prices supposedly guaranteed them. We feel that it is a legitimate exercise of the Government's authority in this crisis to require packers to deal through commission firms, where their grading of hogs can be checked by commission-house graders as well as by packer graders. Therefore, we urge that the appropriate Government agencies withhold subsidy payments from those packers who use direct buying as a means of forcing down farm income.

1. (b) *Federal inspection and grading of all hogs purchased for slaughter*

This action is needed particularly in areas where a single packer buys virtually all of the hogs and buys them direct from the farmers. Direct buying that bypasses the commission firms gives farmers absolutely no grading protection. The buyer, in this case the packer, has the farmer completely at his mercy because there is no check on the grading of hogs as coming within the support price range. In other words, if a packer rules that a hog is not choice and therefore can be bought at less than support prices, with only one buyer on the market, farmers can do nothing but accept that decision. Yet the packer receives a subsidy regardless of how he grades the hogs.

The extent to which this practice has gone in the Sioux Falls area is illustrated by these figures from the official records of the Sioux Falls market:

"Figures from the stockyards records showing the purchases by the different packers, Swift, Armour, Cudahy, and Morrell, on the Sioux Falls public market."

	Swift	Armour	Cudahy	Morrell
December:				
1941.....	12,055	13,307	16,654	23,688
1942.....	21,541	2,409	7,436	39,047
1943.....	3,291	-----	-----	4,524

Balance sold to other order buyers.

"Stockyards receipts:

1941.....	422,190
1942.....	495,330
1943.....	578,933
November 1941.....	37,677
November 1942.....	39,010
November 1943.....	68,153
December 1941.....	68,886
December 1942.....	73,335
December 1943.....	14,438

"A. M. SORESENSEN,
Sioux Falls Stockyards Co.,
Assistant Secretary and Treasurer."

* 1943 December estimates according to other years, 150,000.

This indicates a very strange, concerted withdrawal of all packers from dealings with the Sioux Falls Commission firms within virtually a single week.

Destruction of established channels of trade unquestionably will be the result of this practice if it continues. Moreover, packers' dealing direct with farmers, without Government supervision or grading, will mean a severe loss in income to those farmers in a very short time.

The major step that needs to be taken to deal with this problem is to institute at once a system of Federal grading of hogs that will cover all markets uniformly. These inspectors would prevent the undue grading-out of hogs so as to deprive farmers of support prices for hogs on which they should receive them.

1. (c) Establishment of historic volume buying quotas at markets

As a further protection of established trade channels through commission firms, we propose that the Government require all markets to institute a quota system, based on the history of each commission firm's historic volume, of purchases by packers, and to require all packers to adhere to these quotas.

Such quota systems, originally put forward by the Government, have been put into effect voluntarily by the markets and the packers operating on them at St. Paul, Sioux City, and perhaps other places. This is a satisfactory system, as is demonstrated by the records at those markets since it was instituted.

Unless that kind of arrangement is made uniformly at all markets, the future of central marketing of livestock is made uncertain. Cooperative livestock commission houses, along with private, are endangered, and if they disappear, farmers will have lost institutions it has taken them many years and millions of dollars to build.

To tide them over the wartime crisis we urge the formalizing of arrangements already in effect at such markets as St. Paul and Sioux City, and to extend those arrangements to all other markets.

2. Seasonal variation in support prices

This step is needed because it will give those farmers who have feed an incentive to hold their hogs longer, and will therefore make elbow room for farmers who do not have feed and are forced to sell now regardless of future prices. We suggest that floor prices be advanced at staggered intervals over a period, beginning January 15 with regular increases designed to place the floor price at or near the ceiling price by April 1. This price then could be tapered off correspondingly from that peak, allowing, say, a month for marketing at or near the ceiling. We believe this would contribute materially toward replacing the present chaotic situation with orderly marketing and distribution processes.

There is plenty of precedent already for such action. The War Food Administration now adjusts seasonally the support prices of eggs and soybeans. In the case of soybeans, for example, the support price rises 1 cent a month on the first of each month for the 6-month period beginning January 1 every year. Such a scale of upward adjustment could be maintained with or without subsidies, depending on whether subsidies were needed to avoid price increases to consumers.

If this seasonal variation program is correctly administered it will not contribute to inflation, will not cut further into feed supplies, and will not add to the total amount of subsidy payments. Orderly sales of hogs will result in conservation of feed and the production of more pork per bushel of feed because wasteful forced feeding of hogs in the upper weights will be avoided. If the seasonal variation of support prices is arranged so that the price average for the year does not rise, then there will be no particularly inflationary result from such variation, unless maladjustment arises between price and volume. Finally, we believe that such a program can be operated without increasing by a penny the present total expenditure on the hog subsidy.

3. Increase in weight limit of price-support hogs to 350 pounds

As we already have said, the increase from 270 to 300 pounds in the weight limit within which hogs must be kept if they are to be eligible for price supports has done much good. We are convinced that it will save thousands of dollars to farmers who have tried conscientiously to market their hogs before they passed 270 pounds but have been

unable to do so. As the marketing crisis continues, however, the situation remains acute for some farmers.

Our correspondence, letters, and telegrams, and surveys indicate that thousands of hogs still are backed up on farms through the Dakotas, and that the crisis will last for several weeks yet. We, therefore, recommend that in all justice a further increase in the weight limit to 350 pounds be authorized. There is no doubt that some farmers will feed the hogs up to or past 300 pounds who otherwise would market them, if this is done. But the number, we believe, is very, very small, indeed. Most farmers will be only too glad to get their hogs safely marketed at the earliest possible opportunity. Present weight limitations, therefore, tend to penalize the majority of patriotic, earnest, sincere farmers simply because a very small fraction of all farmers may take advantage of the present situation.

If farmers are not to be expected to produce hogs to capacity in 1944 they should know it now. Moreover, they should know at once the alternative crops they are to be asked to produce and what support prices are going to be paid for all crops. We urge not only the earliest possible dissemination of information through all possible channels. We believe that all restrictions on A. A. A. information work should be ended immediately, increased funds made available for such information work. Finally, we believe that the Federal Office of Extension should make much greater efforts to obtain thorough State cooperation in carrying to farmers the detailed story of what their Government wants them to do in producing for victory in 1944.

Finally, in addition to the above recommendations, we urge the Federal agencies concerned to send investigators into the field immediately to investigate unfair grading of hogs and any other unfair practices followed by packers in connection with the support price program; not only should these investigators look into the situation in South Dakota but they should investigate the situation throughout the country.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD and to include therein the statement prepared by the gentleman to whom I have referred and also to include certain excerpts from letters that I have received on the subject.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Dakota [Mr. CASE]?

There was no objection.

THE SOLDIER VOTE BILL

Mr. ELLSWORTH. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ELLSWORTH. Mr. Speaker, after weeks of careful study involving countless conferences with informed officials and a careful analysis of the election laws of the several States, the members of the House Committee on the Election of President, Vice President, and Representatives in Congress, of which I am a member, have today voted, by a vote of 7 to 5, to reject the so-called soldier vote bill, H. R. 3876, known in the House of Representatives as the Worley bill, but being similar in character to the Lucas-Green bill previously rejected by a majority vote of the Senate.

I voted to reject this bill because I know it is an unworkable, deceptive, and unconstitutional proposal.

It is unworkable because it proposes to ask State election officials to accept and count a Federal ballot when it is well known that there is no State law in any State that will permit election officials to count any general election or other election ballots that are not specifically provided for under State laws. The language of the Worley bill pretends to meet this situation by leaving to the States the right of acceptance or rejection of the Federal ballots; but its authors must know full well that the States have at present no legal right to accept them.

The Worley bill, in my opinion, is cruelly deceptive, for it is heralded by its sponsors and by irresponsible or badly informed radio commentators and newspaper writers as a bill that would permit the servicemen to vote, when in fact it would do no such thing. If enacted into law, it would permit the men and women in the armed forces to write a ballot for President, Vice President, and Senators and Representatives in Congress, but provides not the slightest assurance that any such ballots would be counted—hence voted.

Furthermore, the Worley and Green-Lucas bills are frankly unconstitutional. The Constitution of the United States clearly assigns to the States complete control over the machinery of elections.

But perhaps more objectionable than all of the other objectionable features of the Worley bill is the fact that when the so-called Federal ballot is used it completely disenfranchises servicemen in State and local elections. Governors in 34 States will be elected in the 1944 general election, but no person who filled out a Federal ballot could participate in the election of a Governor, or of any State or county or city officer.

Our committee now has ready for presentation to the House a bill that, with the forthright cooperation of the Army, the Navy, and the several States, will permit every man and woman in uniform to cast a regular complete ballot in the 1944 election with the certain knowledge that when he has marked it the ballot will be counted—and he will have voted in the election.

ENROLLED BILLS SIGNED

Mr. KLEIN, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 2207. An act to amend the Nationality Act of 1940;

H. R. 3611. An act to authorize the appointment of court reporters in the district courts of the United States, to fix their duties, to provide for their compensation, and for other purposes; and

H. R. 3691. An act to permit the construction, maintenance, and use of certain pipe lines for steam-heating purposes in the District of Columbia.

ADJOURNMENT

Mr. FOLGER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 23 minutes p. m.), under its previous order, the House adjourned until Monday, January 17, 1944, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE PUBLIC LANDS

The Committee on the Public Lands has postponed the hearing on H. R. 2596, which was previously scheduled for Friday, January 14, 1944, until Tuesday, January 18, 1944, at 10 a. m.

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

The Committee on World War Veterans' Legislation will hold hearings at 10 a. m. Monday, January 17, 1944, on general legislative proposals.

COMMITTEE ON INVALID PENSIONS

The Committee on Invalid Pensions will hold hearings on Tuesday, January 18, 1944, at 10:30 a. m., in the committee room, 247 House Office Building, on H. R. 1358 and H. R. 1512, bills granting pensions and increase of pensions to certain soldiers, sailors, and marines who served in the Pulajane and Moro campaigns and other uprisings in the Philippine Islands from July 16, 1903, to December 31, 1913, and for other purposes, which were introduced by Representative HAROLD C. HAGEN, of Minnesota.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization on Wednesday, January 19, 1944, at 10 a. m., for the consideration of private bills.

The Committee on Immigration and Naturalization will hold hearings at 10:30 a. m. on Thursday, January 20, 1944, on H. R. 2701, H. R. 3012, H. R. 3446, and H. R. 3489.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thursday, February 3, 1944, at 10 a. m., on H. R. 2809, to amend section 511 of the Merchant Marine Act, 1936, as amended.

The Committee on the Merchant Marine and Fisheries will hold a public hearing on Thursday, February 10, 1944, at 10 a. m., on H. R. 2652, to amend section 222 (e) of subtitle "Insurance of Title II of the Merchant Marine Act, 1936," as amended.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PATMAN: Select Committee on Small Business. Fourth interim report pursuant to House Resolution 18. Resolution creating a Select Committee on Small Business of the House of Representatives and defining its powers and duties; without amendment (Rept. No. 987). Referred to the Committee of the Whole House on the state of the Union.

Mr. ABERNETHY: Committee on Claims. S. 1447. An act to remit claims of the United States on account of overpayments to part-time charwomen in the Bureau of Engraving and Printing, and for other purposes; without amendment (Rept. No. 988). Referred to the Committee of the Whole House on the state of the Union.

Mr. HOBBS: Committee on the Judiciary. H. R. 3592. A bill to amend the Judicial Code in respect to the original jurisdiction of the district courts of the United States in certain cases, and for other purposes; with amendment (Rept. No. 991). Referred to the Committee of the Whole House on the state of the Union.

Mr. HOLIFIELD: Committee on the Post Office and Post Roads. H. R. 3870. A bill to amend section 214 of the act of February 28, 1925; without amendment (Rept. No. 992). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. KEOGH: Committee on Claims. H. R. 443. A bill for the relief of Dave Hougardy; with amendment (Rept. No. 989). Referred to the Committee of the Whole House.

Mr. ROWAN: Committee on Claims. H. R. 3062. A bill for the relief of the board of trustees, Summerville Consolidated School District, Chattooga County, Ga.; without amendment (Rept. No. 990). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FULMER:

H. R. 3970. A bill providing for the transfer to the custody and control of the Secretary of the Navy certain land comprising a ranger station site in connection with the administration of Kaniksu National Forest in the State of Idaho; to the Committee on Agriculture.

By Mr. HOBBS:

H. R. 3971. A bill to amend further the Civil Service Retirement Act, approved May 29, 1930, as amended; to the Committee on the Civil Service.

By Mr. MAGNUSON:

H. R. 3972. A bill to provide for the donation of certain forest lands to the city of Seattle, Wash.; to the Committee on Agriculture.

By Mrs. ROGERS of Massachusetts:

H. R. 3973. A bill to provide further necessary statutory authority required to accomplish the purposes of laws administered by the Veterans' Administration granting medical and hospital treatment, and other benefits; to the Committee on World War Veterans' Legislation.

By Mr. ANDERSON of New Mexico:

H. R. 3974. A bill to provide for regulation of certain insurance rates in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DIES:

H. R. 3975. A bill for the relief of Hardy H. Bryant; to the Committee on Claims.

By Mr. HARRIS of Virginia:

H. R. 3976. A bill for the relief of Charles L. Kee; to the Committee on Claims.

By Mr. HENDRICKS:

H. R. 3977. A bill for the relief of Harry Schultz; to the Committee on Claims.

By Mr. MCGEEHEE:

H. R. 3978. A bill for the relief of Ralph P. Aiello; to the Committee on Claims.

H. R. 3979. A bill for the relief of Capt. S. E. McCarty; to the Committee on Claims.

By Mrs. ROGERS of Massachusetts:

H. R. 3980. A bill for the relief of the parents of Dorothy White; to the Committee on Claims.

By Mr. WHITE:

H. R. 3981. A bill for the relief of Mrs. Margaret M. Ross; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

4293. By Mr. BISHOP: Petition of the Carbonale Businessmen's Association, Carbonale, Ill., regarding the declaration of policy on world-wide aviation; to the Committee on Interstate and Foreign Commerce.

4294. By Mr. BUCKLEY: Petitions of Arthur J. Burgoyne and others, protesting against the enactment of any and all prohibition legislation; to the Committee on the Judiciary.

4295. By Mr. HAYS: Petition of Guisto Mancini, Ella V. Stewart, J. H. Fletcher, George J. Kaufman, Julius Pierpaoli, John Taido, George Cook, all of Little Rock, Ark., and others, protesting against passage of House bill 2082; to the Committee on the Judiciary.

4296. By Mr. HEIDINGER: Communication from S. A. Lynn, farmer, of Brookport, Ill., opposing the food-subsidy program for the reason it will not help the farmer and will increase the national debt and is economically unsound; to the Committee on Agriculture.

4297. By Mrs. SMITH of Maine: Petition of Eddie Larrabee, of Augusta, Maine, and other citizens, protesting against consideration by Congress of the Bryson bill, H. R. 2082, which would impose complete prohibition for the duration of the war; to the Committee on the Judiciary.

4298. Also, petition of Romeo Cyr, of Augusta, Maine, and other citizens, protesting against consideration by Congress of the Bryson bill, H. R. 2082, which would impose complete prohibition for the duration of the war; to the Committee on the Judiciary.

4299. Also, petition of Herbert J. Casy, of Augusta, Maine, and other citizens, protesting against consideration by Congress of the Bryson bill, H. R. 2082, which would impose complete prohibition for the duration of the war; to the Committee on the Judiciary.

4300. Also, petition of John O'Brien, of Augusta, Maine, and other citizens, protesting against consideration by Congress of the Bryson bill, H. R. 2082, which would impose complete prohibition for the duration of the war; to the Committee on the Judiciary.

4301. By Mr. WHEAT: Petition of sundry citizens of Decatur, Ill., and vicinity protesting against the consideration of any and all prohibition measures by Congress; to the Committee on the Judiciary.

4302. Also, petition of E. M. Crawford, of Decatur, Ill., protesting against the Bryson bill (H. R. 2082); to the Committee on the Judiciary.

4303. Also, petition of the leading citizens of Decatur, Ill., protesting against the consideration of any and all prohibition measures by Congress; to the Committee on the Judiciary.

4304. By the SPEAKER: Petition of the secretary, the Colorado Producers & Distributors, Inc., protesting against the consideration of House bill 2082; to the Committee on the Judiciary.